



Seattle City Employees' Retirement System

Annual Report

For the year ended December 31, 2001

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

ANNUAL REPORT

For The Year Ended December 31, 2001

Prepared by: Seattle City Employees' Retirement System Staff

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Board of Administration



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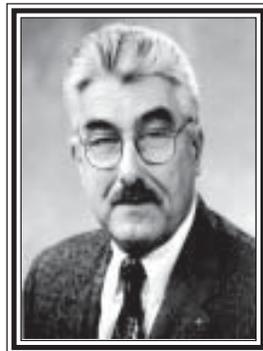
Jan Drago



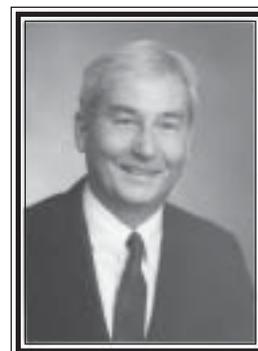
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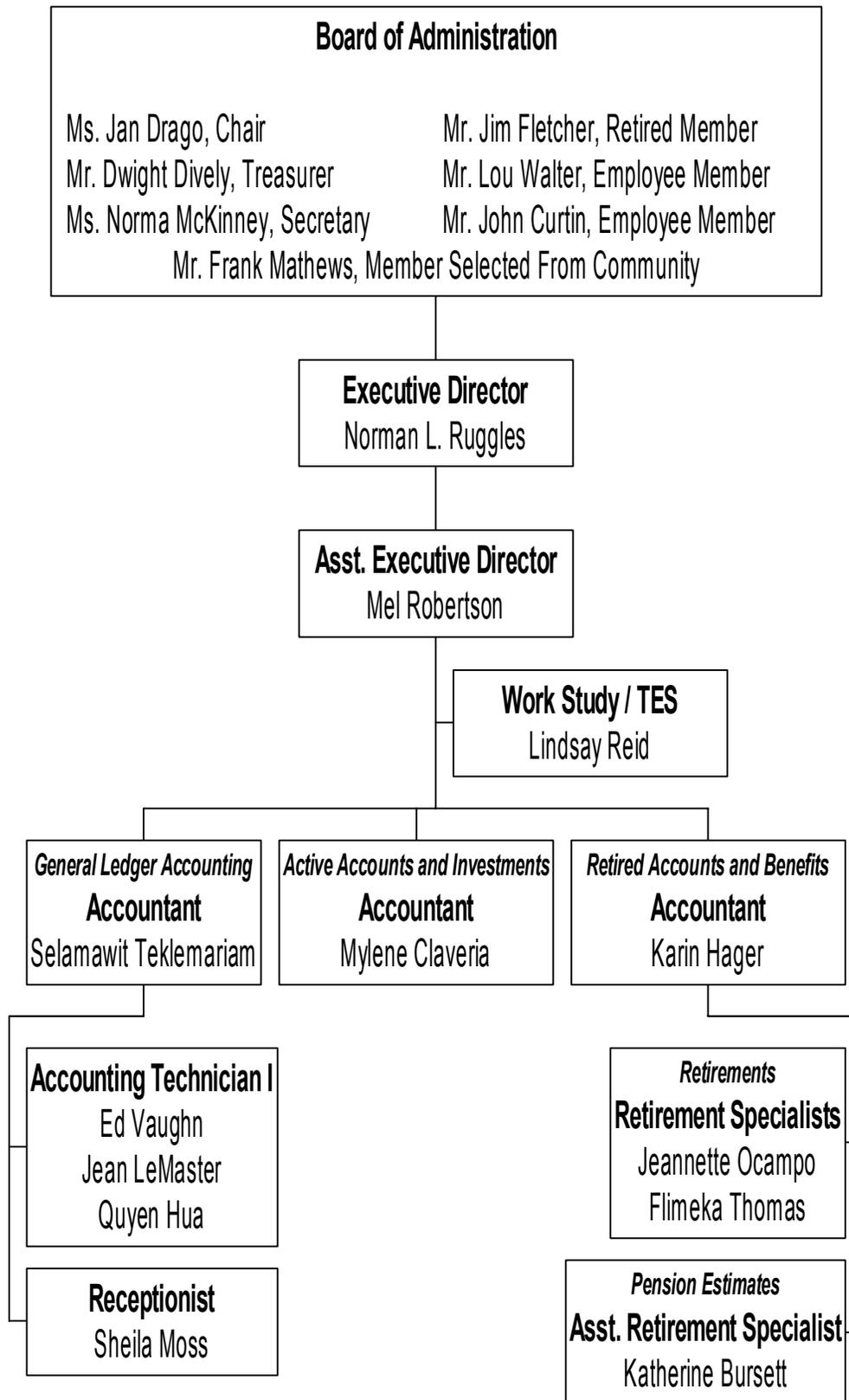
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Flimeka Thomas



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City of Seattle

Gregory J. Nickels, Mayor

Seattle City Employees' Retirement System

Board of Administration

Norman L. Ruggles, Executive Director

June 14, 2002

To the Honorable Mayor and
Seattle City Council
Seattle, Washington 98104

The Annual Report consists of six sections: the Introductory Section contains the Executive Director's letter of transmittal and the identification of the administrative organization and consulting services utilized by the System; the Financial Statements Section contains the financial statements of the System as well as a letter from the System's certified public accountants; the Actuarial Section contains the independent consulting actuary's opinion along with related actuarial data and statements; the Statistical Section contains tables of significant data pertaining to the operation of the System; the next section contains information on the Death Benefit System and the Unused Sick Leave Plan administered by the Retirement System; and the last section is the Retirement Estimate Section including eligibility requirements, a percentage of average salary chart and a sample calculation.

The accuracy and completeness of the data contained in this report are the sole responsibility of the management of the Seattle City Employees' Retirement System.

The Retirement System was created and established by amendment to the Charter of the City of Seattle (Article XXII - Section 13) submitted to the voters at the municipal election of March 8, 1927. The System, known thereafter as the Seattle City Employees' Retirement System, is to provide retirement income to maintain the quality of life for its former employees. The retirement plan is a defined benefit plan, which means the employee's salary, years of service and age at the time of retirement are used to determine the amount of retirement benefits.

The year ended December 31, 2001, concludes our 73rd year of operations. At year end there were 4,733 pensioners receiving monthly allowances from the Seattle City Employees' Retirement System, as well as 10,111 employee participants. The Retirement System covers employees of the City of Seattle, and certain employees of King County, METRO, and the Seattle City Library.

Economic Outlook

After years of growth during the 1990's, the U.S. economy experienced a downturn and recession in 2001. Unemployment increased, company profits decreased and manufacturing declined. While the nation is beginning to recover from the recession, the Puget Sound region lags behind. There are signs, however, that the regional economy has reached bottom. Since the funding of the Retirement System is determined by employee and employer contributions and long-term investment income, the Seattle City Employees' Retirement System is structured to continue to provide the retirement benefits earned by its members.

Major Initiatives

At the recommendation of the Retirement Board, legislation was approved which will improve the annual cost of living adjustments (COLA's) for retirees. Other legislation has expanded the opportunities for current employees to purchase service credit, depending on their employment history. Changes were made to some of the Retirement System's investments, with the goal of increasing investment earnings and improving procedures. A strong emphasis is being placed on customer service and various changes were implemented to better serve our membership.



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An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.



(continued)

Financial Information

The City of Seattle is responsible for establishing and maintaining an internal control structure designed to ensure the protection of assets from loss, theft, or misuse, and to ensure the accounting information generated is adequate to prepare financial statements in conformity with generally accepted accounting principals. The internal control structure is designed to provide reasonable assurance, although not absolute, of achieving these objectives.

The City of Seattle is a recipient of federal and state financial assistance and as such is subject to the Single Audit Act of 1984 and the Office of Management and Budget Circular A-128, Audits of State and Local Government. The State Auditors perform tests that help to determine the adequacy of the City's internal control structure as well as its compliance with applicable laws and regulations.

As a department of the City of Seattle, the Seattle City Employees' Retirement System is subject to this internal control structure. In addition, section 4.36.140.D of the Seattle Municipal Code requires the Board of Administration to annually transmit a report of the financial condition of the retirement system to the City Council.

This report is prepared in accordance with the principles of governmental accounting and reporting pronounced by the Governmental Accounting Standards Board (GASB). Investments are stated at fair market value, and revenues include the recognition of unrealized gains or losses. The accrual basis of accounting is used to record assets, liabilities, revenues and expenses. Revenue recognition occurs when earned without regard to the date of collection. Expense recognition occurs when the corresponding liabilities are incurred, regardless of payment date. The basis of contributions to the System follows the principals of level cost financing, with current service financed on a current basis. Milliman U.S.A., the consulting actuary, evaluates the funding status of the System.

Revenues

The accumulation of employer and employee contributions, along with income on investments, provide the reserves needed to finance retirement benefits and comprise the total revenue as shown below:

SOURCE OF FUNDS	<u>2001</u>	<u>2000</u>	INCREASE (DECREASE)	INCREASE (DECREASE)
City Contributions	\$ 32,667,381	\$ 30,956,217	\$ 1,711,164	5.5 %
Employee Contributions	\$ 32,602,859	\$ 30,962,052	\$ 1,640,807	5.3 %
Investment Earnings	\$ (93,021,798)	\$ (79,832,672)	\$ (13,189,126)	(16.5) %
Total	\$ (27,751,558)	\$ (17,914,403)	\$ (9,837,155)	(54.9) %

Expenses

The primary expense of a retirement system relates to the payment of benefits. Recurring benefit payments prescribed by the plan, refunds of contributions to terminated employees and the costs of administering the System comprise the total expense as shown below:

USE OF FUNDS	<u>2001</u>	<u>2000</u>	INCREASE (DECREASE)	INCREASE (DECREASE)
Benefits Paid	\$ 65,553,605	\$ 62,844,355	\$ 2,709,250	4.3 %
Contributions Refunded	\$ 8,785,879	\$ 11,641,902	\$ (2,856,023)	(24.5) %
Administrative Expenses	\$ 7,293,821	\$ 10,634,557	\$ (3,340,736)	(31.4) %
Total	\$ 81,633,305	\$ 85,120,814	\$ (3,487,509)	(4.1) %

Expenditures for the year 2001 totaled \$81,633,305, a decrease of 4.1% from 2000. Expenditures, along with the decline in investment earnings, exceeded revenues by \$109,384,863.

Investments

The investments of the Retirement System are governed primarily by the "prudent investor rule." The prudent investor rule, as set forth by state statute, establishes a standard for all fiduciaries, which includes anyone who has authority with respect to the fund.

Declining financial markets in the U.S. and abroad impacted the System's investments, and resulted in a loss in value of \$93,021,798. The supporting schedules reflect the changes in the portfolio during the year. The loss on the market value of investments was 6.0%. 2001 was a difficult year for most domestic (except small cap) and international equity investments, but most fixed income and real estate investments performed well. The Retirement System invests retirement funds for the long-term, anticipating both good and bad financial markets. Investments are diversified to reduce investment risk.

Funding

Funds are accumulated from employer and employee contributions, and investment earnings, and are used to pay present and future benefit obligations and administrative expenses. The better the level of funding, the larger the ratio of assets accumulated and investment income potential. Although the historical level of funding for the Seattle City Employees' Retirement System is good, we continue to make a constant effort to achieve a fully funded status, thereby assuring the participants of a financially sound retirement system. The funding ratio at the end of 2001 was 87.5%.

There are currently 10,111 active members and 4,733 retired members. Most active members contribute 8.03% of their salaries to the retirement fund and the City contributes 8.03%.

For a detailed breakdown of the funding progress, please see the "Actuarial Section".

Professional Services

Professional consultants and investment managers retained by the Retirement Board are essential to the effective and efficient operation of the Seattle City Employees' Retirement System. The firm of Milliman U.S.A. provides actuarial consultation. Various professional managers provide investment counsel relative to the equity, fixed income, real estate and other investments owned by the System. The Board has retained Wurts & Associates to monitor the investment performance of the fund and investment managers.

Below is a list of other various professional consultants retained by the Board during 2001:

Amerindo	Barclays	Capital Guardian
Dimensional Fund Advisors	Wall Street Associates	Bridgewater
Putnam	GW Capital	MDL Capital
PIMCO	Pugh Capital	Reams Asset Management
Vanderbilt	Western Asset Management	Bank of New York
Pacific Mutual	RREEF	Shurgard
Kennedy – (MEPT)	J.P. Morgan	Frank Russell
Phoenix Partners	Quellos	

Acknowledgments

The compilation of this report reflects the combined effort of the staff under the leadership of the Retirement Board. The intention is to provide complete and reliable information as a basis for making management decisions, to present evidence of compliance with legal provisions and to demonstrate responsible stewardship for the assets contributed by the members and their employers.

The Executive Director and staff have reviewed the internal accounting controls and the financial statements, supporting schedules and statistical tables, and we are of the opinion they fairly present the condition of the Retirement System.

The report is being mailed to all departments of the City. They form the link between Seattle City Employees' Retirement System and its membership. Their cooperation contributes significantly to the success of the Retirement System. Hopefully, the employers and Retirement System members will find this report both informative and helpful.

We would like to express our gratitude to the staff, the advisors, and to the many people who have worked so diligently to assure the successful operation of the System.

Respectfully submitted,

BOARD OF ADMINISTRATION,
SEATTLE CITY EMPLOYEES'
RETIREMENT SYSTEM
AS OF DECEMBER 31, 2001

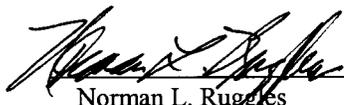

Norman L. Ruggles
Executive Director

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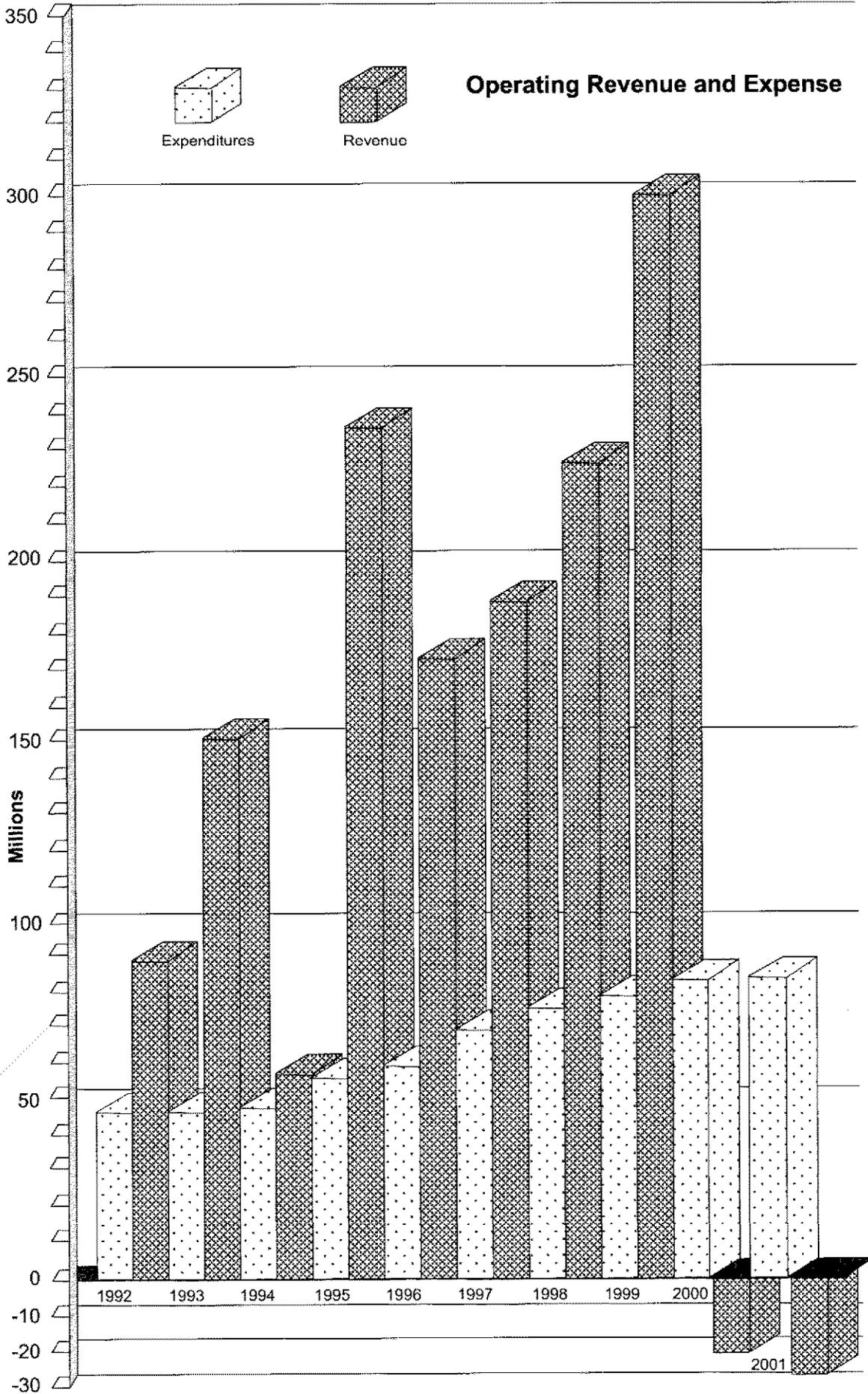
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INDEPENDENT AUDITORS' REPORT

Board of Administration
Seattle City Employees' Retirement System
Seattle, Washington

We have audited the accompanying statements of plan net assets of the Seattle City Employees' Retirement System (the System) as of December 31, 2001 and 2000, and the related statements of changes in plan net assets for the years then ended. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the System as of December 31, 2001 and 2000, and the changes in net assets for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information listed in the financial section of the table of contents is required by Governmental Accounting Standards Board Statement No. 25 and is not a required part of the financial statements. The additional information listed in the financial section of the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. This information is the responsibility of the System's management. The supplemental and additional information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, such information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The introductory, actuarial, and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the System. Such additional information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

Deloitte & Touche LLP

May 17, 2002

Seattle City Employees' Retirement System**Statements of Plan Net Assets**

As of December 31, 2001 and 2000

	2001	2000
Assets:		
Cash and equity in pooled investments	\$ 17,574,965	\$ 7,782,712
Short-term investment funds	56,420,794	124,644,360
Securities lending collateral	120,215,604	80,511,612
Receivables:		
Plan member	575,994	806,194
Employer	547,368	429,250
Interest and dividends	4,860,761	6,919,271
Total Receivables	<u>5,984,123</u>	<u>8,154,715</u>
Investments, at fair value:		
U.S. Government obligations	254,641,808	277,758,071
Domestic corporate bonds	98,145,984	171,414,268
Domestic stocks	541,642,107	422,118,229
International stocks	252,819,051	266,092,610
International bonds	34,734	89,260,316
Mortgages	98,884	125,337
Real estate	75,251,373	81,349,088
Alternative / Venture capital	87,596,499	51,391,635
Total Investments	<u>1,310,230,440</u>	<u>1,359,509,554</u>
Equipment and fixtures, at cost, net of accumulated depreciation of \$166,784 and \$163,310, respectively	32,522	16,221
Total Assets	<u><u>1,510,458,448</u></u>	<u><u>1,580,619,174</u></u>
Liabilities:		
Refunds payable and other	6,540,895	7,020,750
Securities lending collateral	120,215,604	80,511,612
Total Liabilities	<u><u>126,756,499</u></u>	<u><u>87,532,362</u></u>
Net assets held in trust for pension benefits	\$ <u><u>1,383,701,949</u></u>	\$ <u><u>1,493,086,812</u></u>
(A schedule of funding progress for the plan is presented on page 9.)		

See notes to financial statements.

Seattle City Employees' Retirement System**Statements of Changes in Plan Net Assets**

For the Years Ended December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Additions:		
Contributions:		
Employer	\$ 32,667,381	\$ 30,956,217
Plan member	32,602,859	30,962,052
Total Contributions	<u>65,270,240</u>	<u>61,918,269</u>
Investment Income (Loss):		
Net depreciation in fair value of investments	(129,175,691)	(121,236,224)
Interest	19,211,116	16,131,045
Dividends	13,632,256	19,682,193
Total Investment Loss	<u>(96,332,319)</u>	<u>(85,422,986)</u>
Investment Activity Expenses:		
Investment management fees	(2,529,304)	(3,862,598)
Performance measurement and asset allocation fees	(129,403)	(98,050)
Investment custodial fees	(230,206)	(106,127)
Total Investment Activity Expenses	<u>(2,888,913)</u>	<u>(4,066,775)</u>
<i>Net Loss From Investment Activities</i>	<u>(99,221,232)</u>	<u>(89,489,761)</u>
Securities Lending Activities:		
Securities lending income	3,310,521	5,590,314
Securities lending expenses:		
Borrower rebates	(2,802,341)	(5,130,299)
Management fees	(153,080)	(140,160)
Total Securities Lending Activities Expenses	<u>(2,955,421)</u>	<u>(5,270,459)</u>
<i>Net Income from securities lending activities</i>	<u>355,100</u>	<u>319,855</u>
Total Net Investment Loss	<u>(98,866,132)</u>	<u>(89,169,906)</u>
Total Loss	<u>(33,595,892)</u>	<u>(27,251,637)</u>
Deductions:		
Benefits	65,553,605	62,844,355
Refunds of contributions	8,785,879	11,641,902
Administrative expense	1,449,487	1,297,323
Total Deductions	<u>75,788,971</u>	<u>75,783,580</u>
Net Decrease	<u>(109,384,863)</u>	<u>(103,035,217)</u>
Net assets held in trust for pension benefits:		
Beginning of Year	<u>1,493,086,812</u>	<u>1,596,122,029</u>
End of Year	<u>\$ 1,383,701,949</u>	<u>\$ 1,493,086,812</u>

See notes to financial statements.

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
NOTES TO THE FINANCIAL STATEMENTS**

Note 1: Plan Description

The Seattle City Employees' Retirement System (the System) is a single-employer defined benefit public employee retirement system, covering employees of the City of Seattle and administered in accordance with Chapter 4.36 of the Seattle Municipal Code. The System is a pension trust fund of the City of Seattle.

All employees of the City of Seattle are eligible for membership in the System with the exception of uniformed police and fire personnel who are covered under a retirement system administered by the state of Washington. Employees of METRO and the King County Health Department who established membership in the System when these organizations were City of Seattle Departments were allowed to continue their System membership. There are currently 4,733 retirees and beneficiaries receiving benefits; and 8,674 active members of the System. There are 1,263 vested terminated employees entitled to future benefits. There are 174 additional terminated employees who have restored their contributions due to the provisions of the portability statutes and may be eligible for future benefits.

The System provides retirement, death, and disability benefits. Retirement benefits vest after five years of credited service, while death and disability benefits vest after 10 years of service. Retirement benefits are calculated as 2% multiplied by years of creditable service, multiplied by average salary, based on the highest 24 consecutive months. The benefit is actuarially reduced for early retirement.

Note 2: Summary of Significant Accounting Policies and Plan Asset Matters

Basis of accounting: The financial statements were prepared using the accrual basis of accounting.

Cash and equity in pooled investments: The System classifies as cash and equity in pooled investments cash on deposit in financial institutions and cash on deposit in the City's internal cash management pool. The System also classifies certain short-term highly liquid securities with an original maturity of three months or less as cash equivalents.

Method used to value investments: Common stock, international equities, fixed income, international fixed income, and short-term investments are reported at fair market value which is based on the quoted market price. Venture capital and real estate equities are reported at fair market value which has been determined by independent appraisers. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments, interest income earned, less investment expense, plus income from securities lending activities, less deductions for security lending expenses. Securities and securities transactions are reflected in the financial statements on a trade-date basis. Investments are made in accordance with the Prudent Person Rule as defined by the State of Washington RCW 35.39.060.

Contributions: Employee and employer contributions are reported in the period in which the contributions are due.

Equipment and fixtures: Fixed assets are stated at actual cost less accumulated depreciation. Estimated useful lives by major class include: three years for computer equipment and 15 years for office furniture and equipment. The straight-line method of depreciation method is used.

Note 3: Contributions

Member and employer contribution rates are established by the Seattle Municipal Code Chapter 4.36.

The employer contribution rate is determined by the actuarial formula identified as the Entry Age Cost Method. The formula determines the amount of contributions necessary to fund the current service cost, representing the estimated amount necessary to pay for benefits earned by the employees during the current service year and the amount of contributions necessary to pay for prior service costs. Total necessary contributions, including amounts necessary to pay administrative costs, are determined through biannual actuarial valuations.

Actuarially determined contribution rates are currently 8.03% for members and 8.03% for the employer. There are no long-term contracts for contributions outstanding and no legally required reserves.

Note 4: Cash and Equity in Pooled Investments

The Federal Deposit Insurance Corporation (FDIC) insures the cash deposits up to \$100,000 per member of the System. As provided by State of Washington RCW 43.84, the Washington Public Deposit Protection Commission (PDPC) collateralizes deposits in excess of \$100,000. The bank balances of deposits as of the balance sheet date are entirely insured. The bank balance and carrying amount of the System's cash and cash equivalents with financial institutions was \$17,574,965 and \$7,782,712 as of December 31, 2001 and 2000, respectively.

Note 5: Investments

The System's investments are categorized to give an indication of the level of risk assumed by the System at year end. Category 1 includes investments that are insured or registered or securities held by the System or its agent in the System's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the System's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty or by its trust department or agent but not in the System's name. There are no investments held by the System in Category 2 or 3.

The common stock, U.S. government securities, and bonds meet the criteria of Category 1 as shown on the following table. The certificates of deposit, investments in real estate, notes receivable, mutual funds, and collective trusts, by their nature, are not required to be categorized.

	<u>2001</u>	<u>2000</u>
U.S. Government obligations	\$ 254,641,808	\$ 277,758,071
International bonds	34,734	89,260,316
Domestic corporate bonds	98,145,984	171,414,268
Domestic stocks	541,642,107	422,118,229
International stocks	252,819,051	266,092,610
Total Investments in Risk Category 1	\$ 1,147,283,684	\$ 1,226,643,494
Uncategorized investments:		
Short-term investment funds	176,636,398	205,155,972
Mortgages	98,884	125,337
Realty estate	75,251,373	81,349,088
Alternative / Venture capital	87,596,499	51,391,635

No investment in any one corporation exceeds 5% of net assets available for benefits. Less than 5% of plan assets were invested in derivative securities. All derivatives were high quality nonleveraged securities consisting of collateralized mortgage obligations (CMOs), Treasury strips, convertible bonds, futures, options, etc. These derivatives cause little exposure to credit risk, market risk, or legal risk.

Short-term Investment Funds is a collective trust that may include certificates of deposit, Treasury bills, and mutual funds. The Alternative / Venture category currently includes venture capital and hedge funds.

Note 6: Securities Lending Transactions

Gross income from securities lending transactions are recorded in the operating statements as well as the various fees paid to the institution that oversees the lending activity. Assets and liabilities include the value of the collateral that is being held.

Under the authority of State of Washington RCW 41.28.005 and Seattle Municipal Code 4.36.130, the System's Board of Administration adopted investment policies that define eligible investments, which include securities lending transactions. Through a custodial agent, the System participates in a securities lending program whereby securities are loaned for the purpose of generating additional income to the System. The System lends securities from its investment portfolio on a collateralized basis to third parties, primarily financial institutions. The market value of the required collateral must meet or exceed 102% of the market value of the securities loaned, providing a margin against a decline in the market value of the collateral. There are no restrictions on the amount of securities that may be loaned. The contractual agreement with the System's custodian provides indemnification in the event the borrower fails to return the securities lent or fails to pay the System income distribution by the securities' issuers while the securities are on loan. Cash and U.S. government securities were received as collateral for these loans. The System cannot pledge or sell collateral securities without a borrower default. The System invests cash collateral received; accordingly, investments made with cash collateral appear as an asset. A corresponding liability is recorded as the System must return the cash collateral to the borrower upon the expiration of the loan. There have been no losses resulting from a default, and the System did not have negative credit exposure at December 31, 2001.

	<u>2001</u>	<u>2001</u>	<u>2000</u>	<u>2000</u>
Types Of Securities Lent:	Fair Value of Securities Lent	Collateral	Fair Value of Securities Lent	Collateral
U.S. Government and Agencies	\$ 96,607,424	\$ 98,160,115	\$ 37,270,217	\$ 38,083,838
U.S. Corporate Fixed Income	5,374,210	5,474,950	16,355,272	16,794,750
U.S. Equities	14,822,446	15,929,539	23,285,789	25,633,024
Non-U.S. Equities	618,106	651,000		
Totals	\$ 117,422,186	\$ 120,215,604	\$76,911,278	\$ 80,511,612

	<u>2001</u>	<u>2000</u>
Collateral Report:		
U.S. Corporate Obligations	\$ 44,985,000	\$ 70,993,756
Bank Obligations	7,020,174	
Mutual Funds	42,460,000	
Commercial Paper	11,181,915	8,000,000
Repurchase Agreements	14,568,523	1,517,860
Total Collateral	\$ 120,215,612	\$ 80,511,616

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

(Dollar amounts in millions)

Actuarial Valuation Date January 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (AAL) - Entry Age (1) (b)	Unfunded AAL (UAAL) (2) (b - a)	Funded Ratio (a / b)	Covered Payroll (3) (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
1994	781.8	926.2	144.4	84.4	291.8	49.5
1996	980.2	1,019.7	39.5	96.1	310.6	12.7
1997	1,094.8	1,087.3	(7.5)	100.7	316.9	(2.4)
1998 (4)	1,224.6	1,266.7	42.1	96.7	316.3	13.3
1999	1,375.0	1,326.6	(48.4)	103.6	341.5	(14.2)
2000	1,582.7	1,403.1	(179.6)	112.8	370.4	(48.5)
2001 (5)	1,493.1	1,490.3	(2.8)	100.2	405.0	(0.7)

- (1) Actuarial present value of benefits less actuarial present value of future normal costs based on Entry Age Actuarial Cost Method.
- (2) Actuarial accrued liabilities less actuarial value of assets.
- (3) Covered Payroll includes compensation paid to all active employees on which contributions are calculated.
- (4) These numbers represent the valuation after a cost-of-living-adjustment (COLA) was implemented in 1998 for both active and retired members.
There also was a valuation prior to the implementation of the COLA, which listed the Actuarial Liability for column (b) above as \$1,105,800,000. This reflected a funding excess of \$118,800,000.
- (5) These numbers were provided by an actuarial study, rather than a full valuation.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

(Dollar amounts in millions)

<u>Year Ended December 31</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
1999	29.7	100
2000	30.8	100
2001	32.5	100

(For additional information regarding employer contributions, please see the notes to the financial statements.)

Additional information as of the latest actuarial valuation follows:

Valuation date	1/1/2000
Actuarial cost method	Entry age
Amortization method	Level percent
Remaining amortization period	-0- years
Amortization period	Open
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return *	8.0 %
Projected salary increases *	4.5 %

* Includes inflation at 4.0 % and COLA of .67 %

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 SCHEDULE OF ADMINISTRATIVE EXPENSES
 For the Years Ended December 31, 2001 and 2000

	Budget	Expenditures	
	2001	2001	2000
Personal Services			
Salaries	\$ 567,487	\$ 548,432	\$ 500,432
Benefits	<u>214,725</u>	<u>204,897</u>	<u>154,735</u>
Total Personal Services	782,212	753,329	655,167
Maintenance and Operations			
Investment Services	7,713,346	2,888,913	4,066,775
Actuarial Services	59,100	79,100	78,120
Miscellaneous Services		30,880	7,596
Office Rent	58,188	67,910	56,017
Data Processing	438,410	372,065	343,277
Office Supplies and Expenses	115,186	74,912	76,644
Postage	51,144	41,505	34,333
Telephone	30,200	14,484	6,567
Travel	20,270	7,799	12,724
Training	35,213	4,028	4,210
Depreciation		3,475	22,668
Total Maintenance and Operations	<u>8,521,057</u>	<u>3,585,071</u>	<u>4,708,931</u>
Securities Lending Fees (Investment Expense)		<u>2,955,421</u>	<u>5,270,459</u>
Total Administrative Expenses	<u><u>\$ 9,303,269</u></u>	<u><u>\$ 7,293,821</u></u>	<u><u>\$ 10,634,557</u></u>

(This schedule includes investment services and securities lending as part of administrative expenses.)

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 SCHEDULE OF INVESTMENT EXPENSES
 For the Year Ended December 31, 2001

Investment Services

Amerindo Investments	\$ 190,403
ARM	151,379
Barclays	150,218
Bridgewater	193,299
Capital Guardian Trust	460,415
Dimensional Fund Advisors	84,841
GW Capital	28,742
MDL	13,341
PIMCO	253,730
Pugh Capital	83,772
Putnam	474,254
Scudder	35,569
Standish Ayer	82,561
State Street	20,348
Wall Street Associates	<u>306,432</u>
	2,529,304

Asset Allocation Study

Pension Consulting Alliance	27,500
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Performance Measurement

Wurts & Associates	101,903
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Custodial Services

Bank of New York	230,206
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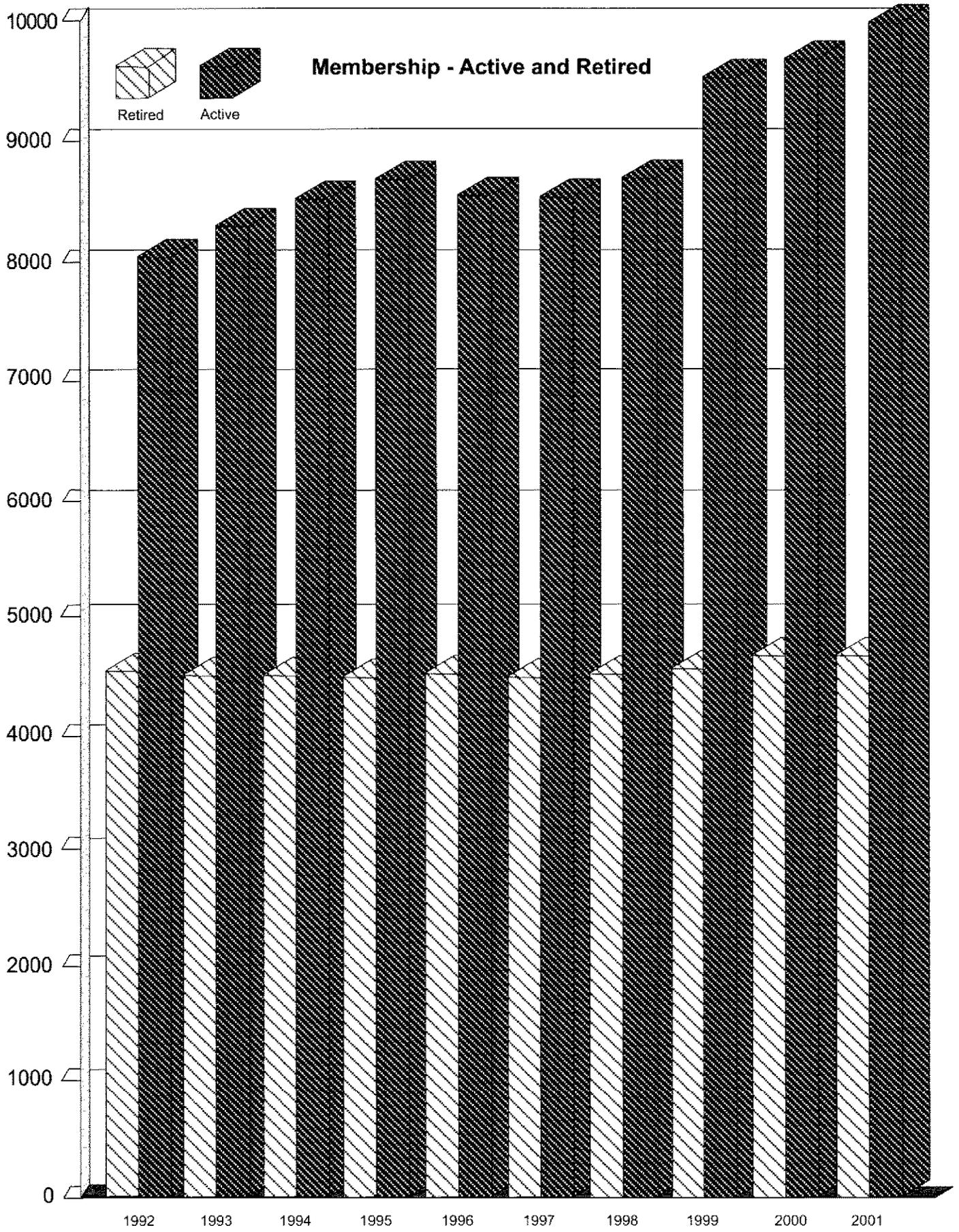
Securities Lending Services

Bank of New York	<u>2,955,421</u>
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Total Investment Expenses	\$ <u>5,844,334</u>
----------------------------------	----------------------------

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF INVESTMENT CASH AND SECURITIES
December 31, 2001

	Market
Short-term Investments	\$ 56,420,794
Domestic stocks:	
Dimensional Fund Advisors	62,823,417
Capital Guardian	44,697,371
Wall Street Associates	34,694,297
Barclays - S&P 500 Fund	399,427,022
Total domestic stocks	541,642,107
Real estate:	
Frank Russell Company	6,620,234
Kennedy - MEPT	14,346,035
J.P. Morgan	38,887,187
Pacific Mutual America - West II	48,442
RREEF - West VI	48,816
RREEF - REIT II	12,716,557
Shurgard	2,584,102
Total real estate	75,251,373
Fixed Income:	
Transition Account	5,246,493
PIMCO	5,964,912
MDL Capital	19,935,504
Pugh Capital	19,228,194
In-house - BONY	63,034,796
In-house - Seattle	98,884
Barclays - Lehman Brothers Aggregate Fund	999,577
Reams Asset	80,178,026
Western Asset	158,200,290
Total fixed income	352,886,676
International stocks:	
Putnam	46,791,070
Barclays - EAFE Fund	133,480,959
Capital Guardian - EAFE	72,545,487
Seligman	1,535
Total international stocks	252,819,051
International bonds:	
Standish	34,734
Total international bonds	34,734
Alternative / Venture capital:	
Phoenix Partners - III	1,469,950
Phoenix Partners - IV	3,126,360
Quellos	57,480,785
Amerindo	25,519,404
Total Alternative / Venture capital	87,596,499
Total Investment Holdings	1,366,651,234
Total Cash and Cash Equivalents	17,574,965
Total Securities Lending Collateral	120,215,604
Total Investments and Cash	\$ 1,504,441,803





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www.milliman.com

March 19, 2002

Board of Administration
Seattle City Employees' Retirement System
801 Third Avenue, Suite 300
Seattle, Washington 98104

Re: Actuarial Valuation Data

Dear Members of the Board:

Milliman USA has performed actuarial valuations for the Seattle City Employees' Retirement System: as of August 31, 1982, and every two years from January 1, 1984 through January 1, 2000. Special actuarial studies were performed as of January 1, 1997 and January 1, 1999. It is anticipated that future actuarial valuations will be performed every two years, with the next regular valuation to be as of January 1, 2002. The financing objective of the System is to establish contribution rates that tend to remain level as a percentage of payroll. Since January 1, 1984, the recommended total contribution rates were 16.94% of covered salaries: 8.91% of salary for the City and 8.03% of salary for employees. Effective January 1, 1999, the employer rate was reduced to 8.03% and the total contribution rate is now 16.06%.

Our January 1, 2000 actuarial valuation shows that these rates were sufficient to pay the System's normal cost and there was no longer a positive unfunded actuarial accrued liability to amortize. Of the City's contribution, 5.50% of salary was the City's portion of the normal cost. The remainder, 2.53% of salary, was available to fund the unfunded actuarial accrued liability, if any. Based on the January 1, 2000 valuation, the actuarial assets exceeded the actuarial accrued liability by 12.8% and the funding excess (i.e., negative unfunded actuarial accrued liability) was \$179.6 million. The unfunded actuarial accrued liability will be redetermined as of January 1, 2002, after the completion of the next actuarial valuation. The actuarial assumptions used in our actuarial valuations are summarized in Exhibit 1. Exhibit 1 also discusses the method used to value assets.

In preparing our actuarial valuation reports, we relied, without audit, upon the financial statements prepared by the staff of the System. We also relied upon the employee and beneficiary data provided us by the staff. We compared the data for the January 1, 2000 valuation with corresponding information from the prior valuation and tested for missing or incomplete items, such as birth dates and hire dates. Based on these tests, we believe the data to be sufficient and reliable for the purposes of our calculations.



The assumptions and methods used for funding purposes meet the parameters set for the disclosures presented in the financial section by Government Accounting Standards Board (GASB) Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*. In our opinion, the assumptions used in the valuation are reasonably related to the past experience of the System. They represent our best estimate of future conditions affecting the System. Nevertheless, the emerging costs of the System will vary from those presented in this report to the extent that actual experience differs from that projected by the actuarial assumptions.

Exhibits 1-11 are enclosed. Milliman USA is completely responsible for these exhibits. Specifically, they are:

- | | |
|------------|--|
| Exhibit 1 | Summary of Actuarial Assumptions and Methods |
| Exhibit 2 | Schedule of Active Member Valuation Data |
| Exhibit 3 | Schedule of Retirees and Beneficiaries |
| Exhibit 4 | GASB Statement No. 27 Annual Pension Cost and Net Pension Obligation |
| Exhibit 5 | Schedule of Funding Progress |
| Exhibit 6 | Funding Ratios |
| Exhibit 7 | Schedule of Employer Contributions |
| Exhibit 8 | GASB Statement No. 27 Three-Year Trend Information |
| Exhibit 9 | GASB Statement No. 27 Annual Development of Pension Cost |
| Exhibit 10 | Analysis of Financial Experience |
| Exhibit 11 | Summary of Plan Provisions |

Sincerely,

Karen I. Steffen, F.S.A., M.A.A.A.
Consulting Actuary

Nick J. Collier, A.S.A., M.A.A.A.
Associate Actuary

KIS/cdc

Enclosures

cc: Mr. Norm Ruggles

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

Summary Of Actuarial Assumptions And Methods

1. Investment return

The annual rate of investment earnings of the assets of the System is assumed to be 8.0%. This rate is compounded annually and is net of investment expenses (adopted 1/1/98).

2. Actuarial value of assets

All assets are valued at market as of the valuation date (adopted 1/1/96).

3. Actuarial Assumptions

The actuarial assumptions and methods were adopted by the Board based upon recommendations from the retained actuary. The actuarial assumptions are based on periodic studies of the System's actual experience.

4. Mortality

a. Among contributing members (adopted 1/1/97)

Men: 50% of rates from the 1994 Group Annuity Mortality (GAM) Table for Males, with ages set forward one year.

Women: 75% of the rates from the 1994 GAM Table for Females, with ages set forward one year.

b. Among service retired members and beneficiaries

Men: 1994 GAM Table for Males, with ages set forward one year (adopted 1/1/97)

Women: 1994 GAM Table for Females, with ages set forward one year (adopted 1/1/97)

c. Among disabled members (adopted 1/1/97)

1992 Railroad Retirement Board Disabled Annuitants Ultimate Mortality Table, with ages set back four years (minimum rate of 2%).

8. Vesting

The following table illustrates the probability that vested terminating members will elect to receive deferred benefits instead of withdrawing accumulated contributions.

Age	Probability of Retirement among Vested Terminating Members	
	Men	Women
22	2.0%	2.0%
32	20.0	20.0
42	35.0	35.0
52	42.0	42.0

(Adopted 1/1/99)

9. Future salaries

In general, the total annual rates of salary increase include an assumed 4.5% per annum wage inflation rate in the active member payroll, plus increases due to promotions and longevity. The total rates assumed for salary increases for individual members are illustrated below.

Years of Service	Annual Rate of Increase	
	Men	Women
1	10.77%	10.77%
2	9.73	9.73
3	8.68	8.68
4	7.64	7.64
5	7.11	7.11
10	5.86	5.86
15	5.39	5.39
20	5.13	5.29
25	5.13	5.29
30	5.13	5.29
35 or more	5.13	5.29

(Adopted 1/1/99)

10. Growth in membership

In general, the combined effects of increases in membership and salary levels are assumed to produce a 4.5% average annual expansion in the payroll of covered members (adopted 1/1/99).

11. Actuarial cost method

The entry age actuarial cost method (adopted 8/31/82; also used by the prior actuary).

The unfunded actuarial liability created by this method, including gains and losses, is amortized as a level percentage of the System's projected payroll.

12. Interest on member contributions

5.75% per annum, compounded annually (adopted 8/31/82).

13. Postretirement increases

The December bonus dividend described in the Actuarial Section of the CAFR is payable at the end of each year is approximately equivalent to a 2/3%, compounded annually, benefit increase. Certain COLA benefits were adopted by the City Council during 1998: a 60% Restoration of Purchasing Power (ROPP) benefit for members retired prior to January 1, 1998 (includes the value of the December bonus payment); and an automatic 1.5% annual COLA to all members retired on or after January 1, 1998, with a minimum guarantee that the benefit will be the greater of the automatic 1.5% increased amount or the 60% ROPP benefit. The financial impact of the ROPP benefit is valued assuming an annual price inflation rate of 4.00%.

14. Administrative expenses

The annual contribution assumed to be necessary to meet administrative expenses of the System is 0.35% of members' salaries. These figures are included in the calculation of the normal cost rate (adopted 1/1/99).

15. Probability of Marriage

We assumed 60% of the active members are married or have a registered domestic partner.

16. Experience Studies

An experience study was completed during 2001 for the period January 1, 1996 through December 31, 1999 that reviewed the mortality assumptions. All other assumptions were studied in 1999 for the period January 1, 1994 through December 31, 1997. Assumptions were adopted and have remained in effect as noted.

17. Recent Changes

Effective January 1, 1999, the employer contribution rate was decreased from 8.91% to 8.03% based on the financial requirements of the system and Section 4.36.110(c) of the Seattle Municipal Code.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

Schedule Of Active Member Valuation Data

Valuation Date	Number	Annual Valuation Payroll*	Average Annual Pay	Annualized % of Increase in Average Pay
8/31/82	6,839	\$170,737,000	\$24,965	-
1/1/84	6,702	176,414,000	26,322	4.0
1/1/86	6,797	187,435,000	27,576	2.4
1/1/88	7,049	203,230,000	28,831	2.3
1/1/90	7,225	230,364,000	31,884	5.2
1/1/92	7,942	264,564,000	33,312	2.2
1/1/94	8,025	287,316,000	35,803	3.7
1/1/96	8,078	314,448,000	38,926	4.3
1/1/97	7,909	312,744,000	39,543	1.6
1/1/98	7,926	329,028,000	41,512	5.0
1/1/99	7,779	333,984,000	42,934	3.4
1/1/2000	8,669	382,620,000	44,137	2.8

**Actuarial Valuation payroll is computed as the sum of the annualized salaries for all active members and differs from the actual payroll shown in the financial section of the annual report.*

Schedule Of Retirees And Beneficiaries**

Valuation Date	Number	Annual Allowances	Average Annual Allowances	Annualized % of Increase in Average Allowances
8/31/82	4,058	\$19,942,000	\$4,914	-
1/1/84	4,276	24,060,000	5,627	10.7
1/1/86	4,424	26,329,000	5,951	2.8
1/1/88	4,524	30,926,000	6,836	7.2
1/1/90	4,809	35,541,000	7,391	4.0
1/1/92	4,663	37,595,000	8,062	4.4
1/1/94	4,615	40,233,000	8,718	4.0
1/1/96	4,619	44,271,000	9,585	4.9
1/1/97	4,661	47,594,000	10,211	6.5
1/1/98	4,649	50,393,000	10,840	6.2
1/1/99	4,644	52,481,000	11,301	4.3
1/1/2000	4,681	55,542,000	11,865	8.0

***Information regarding the number of retirees and beneficiaries added to and removed from the roll was not used in the actuarial valuations.*

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

GASB Statement No. 27 Annual Pension Cost And Net Pension Obligation

	Fiscal Year Ended December 31	
	2000	2001
1a Total Normal Cost Rate	13.29%	13.53%
1b Employee Contribution Rate	<u>8.03%</u>	<u>8.03%</u>
1c Employer Normal Cost Rate (1a – 1 b)	5.26%	5.50%
2a Total Employer Contribution Rate	8.03%	8.03%
2b Amortization Payment Rate (2a – 1 c)	2.77%	2.53%
2c Amortization Period	30*	30*
2d GASB 27 Amortization Rate	(0.76%)	(2.46%)
3 Total Annual Required Contribution (ARC) Rate (1c + 2d)	4.50%	3.04%
4 Covered Employee Payroll**	\$383,736,581	\$405,065,567
5a ARC (3 x 4)	\$17,268,146	\$12,313,993
5b Interest on Net Pension Obligation (NPO)	(1,046,115)	(2,158,580)
5c ARC Adjustment	686,193	1,415,908
5d Annual Pension Cost (APC) (5a + 5b + 5c)	\$16,908,224	\$11,571,321
6 Employer Contribution***	\$30,814,048	\$32,667,381
7a Change in NPO (5d - 6)	\$(13,905,824)	\$(21,096,060)
7b NPO at Beginning of Year	(13,076,432)	(26,982,256)
7c NPO at End of Year (7a + 7b)	\$(26,982,256)	\$(48,078,316)

* If the amortization period determined by the actual contribution rate exceeds the maximum amortization period required by GASB Statement No. 27, the ARC is determined using an amortization payment rate based on a 30 year amortization period.

** Covered payroll includes compensation paid to all active employees on which contributions were made in the year preceding the valuation date.

*** Includes contributions to the Death Benefit System for 2001.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

Schedule Of Funding Progress

(Dollar Amounts in Millions)

Actuarial Valuation Date January 1	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL) (1)	Unfunded Actuarial Accrued Liabilities (UAAL) (2)	Funded Ratio	Covered Payroll (3)	UAAL as a Percentage of Covered Payroll
1986	\$ 395.7	\$ 561.3	\$ 165.6	70.5%	\$ 182.0	91.0%
1988	445.4	595.3	149.9	74.8	199.0	75.3
1990	558.8	737.9	179.1	75.7	212.3	84.4
1992	660.0	810.5	150.5	81.4	239.4	62.9
1994	781.8	926.2	144.4	84.4	291.8	49.5
1996	980.2	1,019.7	39.5	96.1	310.6	12.7
1997	1,094.8	1,087.3	(7.5)	100.7	316.9	(2.4)
1998 ⁽⁴⁾	1,224.6	1,266.7	42.1	96.7	316.3	13.3
1999	1,375.0	1,326.6	(48.4)	103.6	341.5	(14.2)
2000	1,582.7	1,403.1	(179.6)	112.8	370.4	(48.5)

(1) Actuarial present value of benefits less actuarial present value of future normal costs based on Entry Age Actuarial Cost Method.

(2) Actuarial accrued liabilities less actuarial value of assets, Funding Excess if negative.

(3) Covered Payroll includes compensation paid to all active employees on which contributions are calculated.

(4) Reflects increased COLA benefits adopted by the City Council after the valuation was completed.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

Funding Ratios
(Dollar Amounts in Millions)

Actuarial Valuation Date January 1	Actuarial Value of Assets	Actuarial Accrued Liabilities for				Portion of Actuarial Accrued Liabilities Covered by Assets			
		(A)	(B)	(C)	(D)	(A)	(B)	(C)	(D)
		Active Member Contributions	Inactives, Retirees and Beneficiaries	Active Members (Employer Financed Portion)	Total				
1986	\$ 395.7	\$ 110.7	\$ 263.1	\$ 187.5	\$ 561.3	100.0%	100.0%	11.7%	70.5%
1988	445.4	136.0	303.6	155.7	595.3	100.0	100.0	3.7	74.8
1990	558.8	164.0	332.8	241.1	737.9	100.0	100.0	25.7	75.7
1992	660.0	202.6	357.9	250.0	810.5	100.0	100.0	39.8	81.4
1994	781.8	248.4	383.1	294.7	926.2	100.0	100.0	51.0	84.4
1996	980.2	294.1	409.3	316.3	1,019.7	100.0	100.0	87.5	96.1
1997	1,094.8	313.1	449.8	324.4	1,087.3	100.0	100.0	100.0	100.7
1998 ⁽¹⁾	1,224.6	337.3	551.8	377.6	1,266.7	100.0	100.0	88.9	96.7
1999	1,375.0	358.4	577.6	390.6	1,326.6	100.0	100.0	100.0	103.6
2000	1,582.7	385.2	599.4	418.5	1,403.1	100.0	100.0	100.0	112.8

(1) Reflects increased COLA benefits adopted in 1998.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

Schedule Of Employer Contributions (Dollar Amounts in Millions)

Fiscal Year Ending December 31	Covered Employee Payroll (1)	Actual Employer Contributions (2)	Actual Employer Contribution % (2)	Annual Required Contribution (ARC) % (3)	Percentage of ARC Contributed
1992	\$280.4	\$25.1	8.91%	8.91%	100%
1993	291.8	26.1	8.91	8.91	100
1994	298.0	26.7	8.91	8.91	100
1995	310.6	27.8	8.91	8.91	100
1996	316.9	28.4	8.91	8.91	100
1997	316.3	28.3	8.91	8.91	100
1998 ⁽⁴⁾	341.5	30.6	8.91	8.91	100
1999	370.4	29.7	8.03	4.50	178
2000	383.6	30.8	8.03	4.50	178
2001	405.1	32.7	8.03	3.04	264

- (1) Computed as the dollar amount of the actual employer contribution made as a percentage of payroll divided by the contribution rate, expressed as a percentage of payroll.
- (2) The actual and required employer contributions are expressed as a percentage of payroll, after first recognizing the \$12 per employee assessment made for the death benefits. This assessment per employee is included in the actual employer contributions reported and has been previously recognized by the actuary in determining the ARC.
- (3) The City makes employer contributions as a percentage of actual payroll as set in the City Ordinance. Thus, as long as the percentage equals the percentage required by the most recent actuarial valuation, the dollar amount of the Annual Required Contributions (ARC) is equal to the actual dollar amount of the employer contributions. Since the City had always contributed on a basis equal to the ARC prior to 1999, the Annual Pension Cost (APC) was equal to the Annual Required Contributions (ARC) and the Net Pension Obligation (NPO) was zero. The City Ordinance does not permit a reduction in the employer contribution rate less than the employee contribution rate. Thus, the City's contributions exceeded the ARC for 1999-2001 and resulted in a negative NPO amount.
- (4) ARC reflects the increased COLA benefits adopted in 1998.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

GASB Statement No. 27 Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Contribution as a Percentage of APC</u>	<u>Net Pension Obligation (NPO)</u>
December 31, 1999	\$16,669,672	178%	\$(13,076,432)
December 31, 2000	16,908,224	182	(26,982,256)
December 31, 2001	11,571,321	282	(48,078,316)

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
GASB Statement No. 27 Annual Development Of Pension Cost

<u>Fiscal Year Ending</u>	<u>ARC at EOY</u>	<u>Interest on NPO</u>	<u>ARC Adjustment</u>	<u>Annual Pension Cost (APC)</u>	<u>Total Employer Contributions</u>	<u>Change in NPO</u>	<u>NPO Balance*</u>	<u>Gain/Loss</u>	<u>Amort. Factor</u>	<u>Amort. of Gain/Loss</u>	<u>Ending Balance</u>
December 31, 1999	16,669,672	0	0	16,669,672	29,746,104	(13,076,432)	(13,076,432)	(13,076,432)	19.05650	-	(13,076,432)
December 31, 2000	17,268,146	(1,046,115)	686,193	16,908,224	30,814,048	(13,905,824)	(26,982,256)	(13,545,902)	19.05650	(686,193)	(26,982,256)
December 31, 2001	12,313,993	(2,158,580)	1,415,908	11,571,321	32,667,381	(21,096,060)	(48,078,316)	(20,353,388)	19.05650	(1,415,908)	(48,078,316)

* NPO at transition is zero.

Amortization Period: 30 years, Open
 Amortization Method: Level Percentage of Projected Payroll

27

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

Analysis Of Financial Experience

An analysis of actuarial gains or losses was performed in conjunction with the January 1, 1996, January 1, 1998 and January 1, 2000 actuarial valuations.

The results of our analysis of the financial experience of the System in the three most recent actuarial valuations are presented in Exhibit 10. Each gain or loss shown represents our estimate of how much the given type of experience caused the UAL to change in the two-year period since the previous actuarial valuation.

Gains and losses due to demographic sources are approximate. Demographic experience is analyzed in greater detail in our periodic assumption studies.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

Analysis Of Actuarial Gains Or Losses*

(Dollar Amounts in Millions)

	Gain (Loss) for Period:		
	1998-1999	1996-1997	1994-1995
Investment Income. Investment income was greater (less) than expected.	\$ 170.5	\$ 89.5	\$ 54.4
Pay Increases. Pay increases were less (greater) than expected.	28.1	19.7	8.6
Age and Service Retirements. Members retired at older (younger) ages or with less (greater) final average pay than expected.	(0.6)	(2.7)	2.0
Disability Retirements. Disability claims were less (greater) than expected.	(0.3)	0.6	0.3
Death-in-Service Benefits. Survivor claims were less (greater) than expected.	0.0	0.0	0.0
Withdrawal from Employment. More (less) reserves were released by withdrawals than expected.	(0.8)	0.2	(4.3)
Death after Retirement. Retirees died younger (lived longer) than expected.	6.6	(4.7)	(2.7)
Other.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Gain or (Loss) during Period from Financial Experience.	\$203.5	\$102.6	\$ 58.3
Nonrecurring Items:			
Changes in actuarial assumptions and plan amendments caused a gain (loss).	(179.3)	50.2	54.5
Change in actuarial asset valuation method caused a gain (loss).	<u>N/A</u>	<u>N/A</u>	<u>18.6</u>
Composite Gain (Loss) during Period.	\$ 24.2	\$ 152.8	\$ 131.4

*Effects related to losses are shown in parentheses. Numerical results are expressed as a decrease (increase) in the unfunded actuarial liability.

SCHEDULE OF RETIREES AND BENEFICIARIES
ADDED TO AND REMOVED FROM ROLLS

Year Ended	No.	Added to Rolls Annual Allowances	No.	Removed from Rolls Annual Allowances	No.	Rolls End of Year Annual Allowances	Average Annual Allowances	% Increase in Annual Allowances
1980	242	*	98	*	3819	\$ 17,584,611	\$ 4,604.51	11.10
1981	237	*	101	*	3955	\$ 19,114,992	\$ 4,833.12	4.97
1982	271	*	140	*	4086	\$ 21,358,214	\$ 5,227.17	8.15
1983	265	*	121	*	4230	\$ 22,854,611	\$ 5,402.98	3.36
1984	219	*	126	*	4323	\$ 24,996,469	\$ 5,782.20	7.02
1985	213	\$ 2,294,142	105	\$ 347,996	4431	\$ 26,942,615	\$ 6,080.48	5.16
1986	188	\$ 2,010,634	141	\$ 349,405	4478	\$ 28,603,844	\$ 6,387.64	5.05
1987	199	\$ 2,273,426	140	\$ 958,243	4537	\$ 29,919,027	\$ 6,594.45	3.24
1988	160	\$ 2,032,669	117	\$ 419,794	4580	\$ 31,531,902	\$ 6,884.69	4.40
1989	186	\$ 2,500,814	125	\$ 132,799	4641	\$ 33,899,917	\$ 7,304.44	6.10
1990	173	\$ 2,579,540	135	\$ 345,194	4679	\$ 36,134,263	\$ 7,722.65	5.73
1991	165	\$ 1,805,490	181	\$ 434,743	4663	\$ 37,505,010	\$ 8,043.11	4.15
1992	124	\$ 1,740,286	197	\$ 1,025,016	4640	\$ 36,434,571	\$ 7,852.28	(2.37)
1993	142	\$ 1,992,189	160	\$ 887,397	4622	\$ 37,539,363	\$ 8,121.89	3.43
1994	192	\$ 3,040,184	167	\$ 1,192,660	4647	\$ 39,573,882	\$ 8,494.49	4.59
1995	155	\$ 2,449,131	183	\$ 759,377	4619	\$ 41,284,341	\$ 8,937.94	5.22
1996	227	\$ 4,314,773	174	\$ 908,271	4672	\$ 44,648,305	\$ 9,556.57	6.92
1997	171	\$ 3,359,535	192	\$ 1,065,687	4651	\$ 47,014,360	\$ 10,108.44	5.77
1998	170	\$ 2,944,870	148	\$ 946,560	4647	\$ 52,878,274	\$ 11,379.01	12.57
1999	215	\$ 4,103,949	181	\$ 1,125,621	4681	\$ 55,909,111	\$ 11,943.84	4.96
2000	227	\$ 4,615,996	192	\$ 1,543,534	4,716	\$ 59,931,665	\$ 12,708.16	6.40
2001	197	\$ 3,959,357	180	\$ 1,489,915	4,733	\$ 62,802,652	\$ 13,269.10	4.41

**REVISED SUMMARY OF THE MAIN PROVISIONS OF THE
SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM**

We offer this current summary of the main provisions of the Retirement System in an attempt to give as briefly as possible, a general idea of the benefits to members and the obligations of the City. Members who want specific information should write or telephone the office of the Retirement System, 801 3rd Avenue, Suite 300, Seattle, Washington 98104-1652, telephone (206) 386-1292, fax (206) 386-1506.

All officers and employees are eligible for membership in the Retirement system upon employment with the City, except uniformed members of the Police and Fire Fighters System. Federal Social Security covers all officers and employees, except Policemen and Firemen.

Terminating employees who have been members of the Retirement System for at least five years may leave their contributions in the Retirement Fund and may later apply for a retirement allowance when their age and years of service qualify them for such a benefit.

Members may retire after 30 years of retirement credit, regardless of age; after age 52 with 20 years service, after age 57 with 10 or more years of service, and after age 62 with 5 or more years of service. Disability retirement is available after 10 years of service. (The ten years service requirement on disability retirement is waived if the member becomes totally incapacitated for further employment as a result of an accident that occurred in the actual performance of duty as an employee of the City.)

On January 1, 1975, the Seattle System adopted a "2% formula" method of determining the amount of a retirement allowance. On the last page you will find the scale of "guaranteed percentages" used in the "2% formula". See the sample retirement allowance calculation below.

We have selected an employee working in the classification of a Lineworker to show as a typical January 1, 1994, retirement situation. Assuming the Lineworker was a male employee age 65 with 30 years of service, having a wife also age 65. We would determine the amount of his accumulated contributions and his average salary for the 24 consecutive months of highest salary. These were found to be:

Accumulated contributions	\$90,000	
Average salary	\$ 4,014	
		<u>Per Month</u>
Each \$1,000 he has will buy \$8.7787 per month for life (8.7787×90) is		\$ 790.08
His 30 years of service would indicate a maximum of 60% of average Salary — $30 \times 2\% \times \$4,014$ equals \$2,408.40 maximum. Since the annuity produces only \$790.08 per month, the City must add \$1,618.32 to meet the guarantee.		<u>1,618.32</u>
Total "unmodified" and/or "straight allowance"		\$2,408.40

If this employee selects one of the options listed on the following page, his retirement will be reduced to allow for the cost of the option selected.

(continued)

THE OPTIONS

A member may elect any one of six different ways in which to receive his retirement pension. Using the example shown on the preceding page:

1. The maximum amount with no benefit to any beneficiary at time of death, generally spoken of as "straight" retirement, \$2,408.40.
2. OPTION A. The "cash refund" plan. The annuity (amount purchased by a member's contributions) only is reduced. As in the retirement sample shown, the annuity would be \$707.84 instead of \$790.08 and the total monthly pension would be \$2,326.16 instead of \$2,408.40. If there is a balance of the member's contributions, \$90,000, that has not been paid out at the rate of \$707.84 per month, the beneficiary will receive a lump sum payment of the balance.
3. OPTION B. Also a "cash refund" plan except the beneficiary gets monthly payments of the balance instead of a lump sum payment. As in the retirement sample shown, the annuity would be \$721.21 instead of \$790.08 and the monthly pension would be \$2,339.53 instead of \$2,408.40.
4. OPTION C. "Guaranteed period plan". If the pensioner fails to live the length of the period selected, (in this example 5 years) the pension of \$2,355.42 per month is paid to the beneficiary for the remainder of the guaranteed period. If the period selected was 10 years, the pension would be \$2,191.64 per month.
5. OPTION D. One-half of discounted allowance to surviving spouse for life. The reduction is determined in accordance with the ages of the retiring member and the spouse at the time of retirement. Again, using the sample retirement, under Option D, the plan would pay the wife, age 65, \$1,076.55 (one-half of \$2,153.11) per month for life. If you retired on or after March 24, 1997 and your spouse predeceases you, your monthly allowance will be raised to the original unmodified amount.
6. OPTION E. Full amount of discounted allowance to surviving spouse for life. The discount or reduction is determined in accordance with the ages of the retiring member and his spouse at the time of retirement. Using the example again, member 65, wife 65, the amount would be \$1,943.58, to be continued as long as either were alive. If you retired on or after March 24, 1997 and your spouse predeceases you, your monthly allowance will be raised to the original unmodified amount.
7. OPTION F. This option allows a member who retires prior to the normal Social Security Age to receive retirement benefits that are modified so that the combined income from the Retirement System and Social Security is level throughout the member's lifetime. This means the System's payments are higher before the Social Security payments begin and then lower after they begin. Although the theory is that the member's income stream will be level, often it is not. This is because Social Security, and often the System as well, makes post retirement adjustments that upset the original "leveling out" feature of this option.
8. OPTION G. This option allows members a partial lump sum payment at retirement which is equivalent to either the member's accumulated contributions with interest, or one-half of this amount. The member's normal monthly pension will be reduced by an amount to actuarially compensate for the funds withdrawn.

BASIS RATES OF CONTRIBUTION

The City contributes 8.03% of covered payroll and employees contribute 8.03% unless they qualified for a lower rate prior to January 1, 1974.

(continued)

DISABILITY RETIREMENT

Disability retirement is available to members with at least ten years of City Service with the ten year requirement waived when disability arose out of and in the course of their employment as an employee of the City. Members may be retired because of “permanent, total disability” or “temporary, total disability”. The first type mentioned occurs when there is grave doubt that the employee will ever return to active service. The second type is used when the retiree is expected to return within a short time. Both pay the same benefits, 1 1/2% of average salary (24 highest consecutive months) for each year of service, with a maximum of 60% of average salary, and minimum monthly allowance of \$140. The employee with less than 22 years of service is protected by the provision allowing credit to the age of 62, in the calculation for years of service, with 33-1/3% of average salary maximum. Federal Social Security also provides for disability benefits.

If the disability retiree dies and has named a surviving spouse as beneficiary, the spouse is eligible to receive a settlement similar to that shown in the explanation that follows for the spouse of a member who dies prior to retirement.

LIFE INCOMES FOR SPOUSES OF MEMBERS WHO DIE BEFORE RETIREMENT

This is one of the most important provisions of the Retirement System. If an employee has at least ten years of service, the surviving spouse is eligible for a life income and/or a reduced life income and a cash refund. The deceased employee must have designated the spouse as beneficiary, and the beneficiary may choose any one of the three types of settlement:

1. Take the discounted value of the retirement allowance indicated for the deceased employee. This means a straight life income for the life of the survivor, with no benefit for anyone upon the death of the survivor.
2. Take up to one-half of the employee's contributions and a reduced life income (using all of the City's money including the formula guarantee if applicable).
3. Withdraw all of the accumulated contributions made by the employee. In this instance, all of the City's money would remain in the Retirement System.

In calculating the benefit for the survivor, the schedule of “guaranteed percentage” would be used.

To present an example — let us suppose the employee was 51 years of age at the time of death, had an average salary of \$2,188 (24 highest consecutive month), has 27 years of service and \$36,800 of accumulated contributions. Suppose the survivor (widow) was 57 years of age. The maximum amount the employee is entitled to was \$1,170.70 per month.

1. If the widow took a life income, she could receive \$896.80 per month.
2. If she took \$18,400 cash, she could still receive a life income of \$784 per month.
3. She could draw the \$36,800 as a final settlement.

If there is no surviving spouse, minor children can elect to receive similar benefits payable until they reach eighteen years of age.

(continued)

POST RETIREMENT COST OF LIVING INCREASE - For Members Who Retired Prior to January 1, 1998

Each December the monthly retirement allowances will be increased to reflect an annual bonus payment to help offset the adverse effects of inflation. The bonus payment will be a percentage factor based on the number of years retired, times the original annual retirement allowance. The percentage factors were designated to more equitably offset the effects of inflation on members who have been retired the greatest length of time, are as follows:

- 3% of the original annual allowance for members who have been retired from two to five years, inclusive. (Including 1997, 1996)
- 6% of the original annual allowance for members who have been retired from six to nine years, inclusive. (Including 1995, 1994, 1993, 1992)
- 9% of the original annual allowance for members who have been retired from ten to thirteen years, inclusive. (Including 1991, 1990, 1989, 1988)
- 12% of the original annual allowance for members who have been retired from fourteen to eighteen years, inclusive. (Including 1987, 1986, 1985, 1984, 1983)
- 15% of the original annual allowance for members who have been retired from nineteen to twenty-three years, inclusive. (Including 1982, 1981, 1980, 1979, 1978)
- 18% of the original annual allowance for members who have been retired from twenty-four to twenty-eight years, inclusive. (Including 1977, 1976, 1975, 1974, 1973)
- 21% of the original annual allowance for members who have been retired from twenty-nine years or more. (Including 1972 and before)

Example: If your original annual allowance was \$1,000 per month and you have been retired for eleven years, your bonus dividend would be calculated as follows:

$$\begin{aligned} \$1,000 \times 12 \text{ months} &= \$12,000 \\ \$12,000 \times 9\% &= \$1,080 \end{aligned}$$

\$1,080 would be your bonus for that particular year.

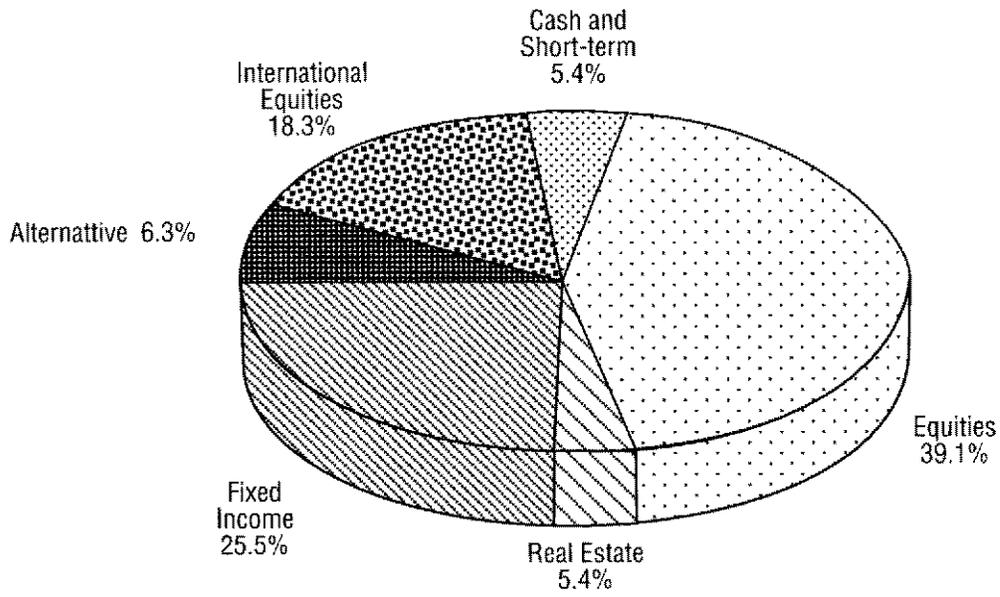
If this bonus plus the total retirement allowance you have received during the year will not purchase 60% of what your original retirement allowance would purchase, the bonus will be increased so you receive 60% of the original purchasing power of your pension. This increased portion of your bonus will be paid throughout the year by increasing your monthly check.

POST RETIREMENT COST OF LIVING INCREASE - For Members Who Retired After December 31, 1997

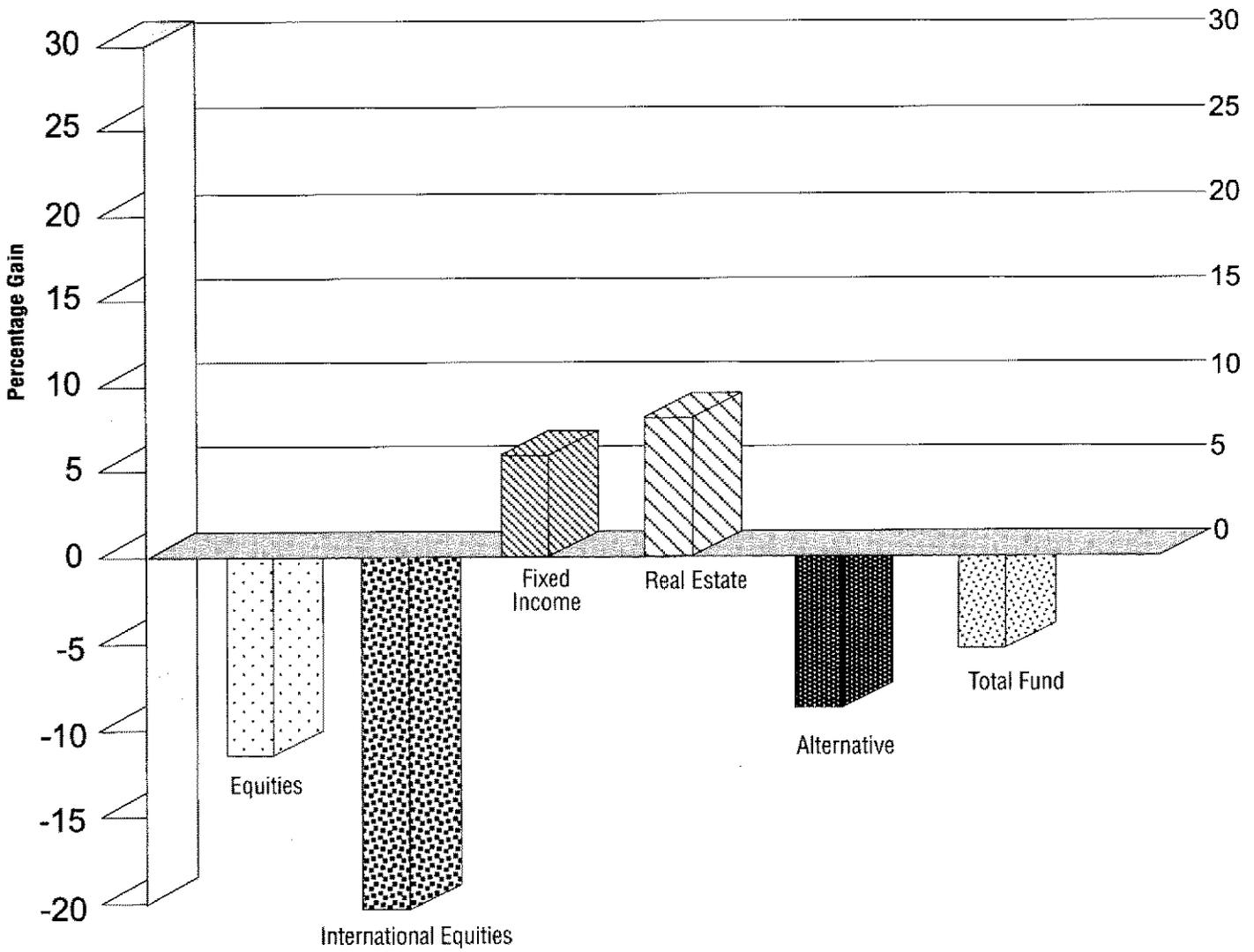
Each December the monthly retirement allowance will be increased to provide the highest benefit calculated under any one of the following three cost of living adjustments:

1. The annual bonus described above.
2. A 1.5% annual compounding COLA
3. A COLA which would provide 60% of the purchasing power which the members original retirement allowance could purchase.

Investment Portfolio Composition



2001 Fund Performance



**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF REVENUES BY SOURCE**

Employer Contrib.*	Fiscal Year	Member Contributions	Employer Contributions **	Investment Income	Miscellaneous Income	Total
7.91 %	1980	\$ 9,166,162	\$ 10,470,335	\$ 16,284,473	\$ 846	\$ 35,921,816
8.54	1981	11,845,089	13,309,388	18,488,195	2,311	43,644,983
8.54	1982	12,465,220	14,790,039	21,106,414		48,361,673
8.54	1983	12,926,545	14,265,554	27,224,215	5,050	54,421,364
8.91	1984	14,076,607	15,961,211	30,543,443	67	60,581,328
8.91	1985	14,399,465	16,280,464	25,317,826		55,997,755
8.91	1986	15,164,105	16,758,439	33,081,706		65,004,250
8.91	1987	16,088,280	17,799,789	46,029,652	410	79,918,131
8.91	1988	16,701,142	18,521,365	36,397,481		71,619,988
8.91	1989	17,246,117	18,983,634	41,803,863	545	78,034,159
8.91	1990	20,405,149	21,810,612	27,725,284		69,941,045
8.91	1991	21,111,940	21,458,952	37,758,671		80,329,563
8.91	1992	21,564,881	25,117,924	41,792,730		88,475,535
8.91	1993	23,473,485	26,139,925	100,705,007	***	150,318,417
8.91	1994	24,764,862	26,704,211	3,670,356		55,139,429
8.91	1995	26,069,124	27,816,819	181,470,912		235,356,855
8.91	1996	25,835,147	28,372,760	118,399,056		172,606,963
8.91	1997	25,571,634	28,310,353	143,719,597		197,601,584
8.91	1998	27,311,815	30,554,650	168,477,507		226,343,972
8.03	1999	29,201,844	29,898,474	240,904,299		300,004,617
8.03	2000	30,962,052	30,956,217	(79,832,672)		(17,914,403)
8.03	2001	32,602,859	32,667,381	(93,021,798)		(27,751,558)

* Employer Contributions reflected as a percentage of covered payroll.

** The employer contributions has been made in accordance with actuarial requirements.

*** Beginning with 1993, the investment income reflects unrealized gains (losses) required by GASB 25.

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF EXPENSES BY TYPE**

Year	Benefits	Refunds	Administrative	Total
1980	\$ 17,584,611	\$ 1,786,654	\$ 331,600	\$ 19,702,865
1981	19,114,992	2,074,078	419,568	21,608,638
1982	21,358,214	2,151,528	458,261	23,968,003
1983	23,029,611	2,086,102	538,059	25,653,772
1984	25,175,469	3,366,999	737,445	29,279,913
1985	27,090,615	2,753,418	1,076,324	30,920,357
1986	28,777,844	3,212,415	1,340,874	33,331,133
1987	30,499,027	3,141,868	1,494,189	35,135,084
1988	32,093,902	3,293,088	1,408,946	36,795,936
1989	34,121,917	3,257,432	1,538,544	38,917,893
1990	36,431,265	3,592,483	1,636,911	41,660,659
1991	37,862,028	3,731,762	1,870,922	43,464,712
1992	38,884,790	3,585,672	2,109,340	44,579,802
1993	40,131,325	2,944,003	2,525,620	45,600,948
1994	42,420,358	3,412,882	2,639,538	48,472,778
1995	44,352,180	3,874,980	7,217,337	55,444,497
1996	46,257,605	3,888,043	7,989,200	58,134,848
1997	50,349,474	5,463,464	11,875,158	67,688,096
1998	56,247,811	7,502,444	12,145,939	75,896,194
1999	58,704,086	9,730,803	10,447,151	78,882,040
2000	62,844,355	11,641,902	10,634,557	85,120,814
2001	65,553,605	8,785,879	7,293,821	81,633,305

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
BENEFIT EXPENSE BY TYPE
 Ten Years Ending December 31, 2001

Year	Age & Service Retirants	Benefits Survivors	Disability		Refunds	Total
			Retirants Benefits	Death Benefit		
1992	\$ 34,273,859	\$ 3,638,285	\$ 626,647	\$ 346,000	\$ 3,585,672	\$ 42,470,463
1993	\$ 35,288,173	\$ 3,864,495	\$ 632,657	\$ 346,000	\$ 2,944,003	\$ 43,075,328
1994	\$ 37,177,394	\$ 4,240,343	\$ 654,621	\$ 348,000	\$ 3,412,882	\$ 45,833,240
1995	\$ 38,909,838	\$ 4,469,103	\$ 645,239	\$ 328,000	\$ 3,874,980	\$ 48,227,160
1996	\$ 40,783,384	\$ 4,530,161	\$ 618,060	\$ 326,000	\$ 3,888,043	\$ 50,145,648
1997	\$ 44,350,246	\$ 4,996,325	\$ 612,903	\$ 390,000	\$ 5,463,464	\$ 55,812,938
1998	\$ 48,684,577	\$ 6,500,622	\$ 714,624	\$ 347,988	\$ 7,502,444	\$ 63,750,255
1999	\$ 50,902,672	\$ 6,821,887	\$ 698,527	\$ 281,000	\$ 9,730,803	\$ 68,434,889
2000	\$ 54,518,311	\$ 7,260,855	\$ 714,799	\$ 350,390	\$ 11,641,902	\$ 74,486,257
2001	\$ 57,122,024	\$ 7,486,988	\$ 672,593	\$ 272,000	\$ 8,785,879	\$ 74,339,484

REVENUE RATIOS BY SOURCE
 1973 Through 2001

Year	Member		Employer		Investment		Total	
	Contributions	%	Contributions	%	Income	%	Revenue	%
1973	26	%	32	%	42	%	100	%
1974	26		31		43		100	
1975	26		31		43		100	
1976	26		31		43		100	
1977	25		29		46		100	
1978	25		29		46		100	
1979	27		30		43		100	
1980	26		29		45		100	
1981	27		31		42		100	
1982	25		31		44		100	
1983	24		26		50		100	
1984	23		26		51		100	
1985	26		29		45		100	
1986	24		26		50		100	
1987	20		22		58		100	
1988	23		26		51		100	
1989	22		24		54		100	
1990	29		31		40		100	
1991	26		27		47		100	
1992	25		28		47		100	
1993 *	16		17		67		100	
1994 *	45		48		7		100	
1995 **	11		12		77		100	
1996 **	15		16		69		100	
1997	13		14		73		100	
1998	12		14		74		100	
1999	10		10		80		100	
2000							<i>Net Loss</i>	
2001							<i>Net Loss</i>	

* Beginning with 1993, the investment income reflects unrealized gains (losses) required by GASB 25.

** Beginning with 1996 (and 1995 has been restated) investment income includes the gross income from Securities Lending as required by GASB 28.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 SCHEDULE OF INVESTMENT RESULTS
 Ten Years Ending December 31, 2001

Year	Income	Market Value	Return on Market Value
1992	\$ 41,792,729	\$ 663,760,307	5.94%
1993	\$ 46,688,287	\$ 770,008,586	14.66%
1994	\$ 3,670,356 *	\$ 791,438,972	0.5%
1995	\$ 181,470,912**	\$ 1,022,697,411	22.7%
1996	\$ 118,515,545**	\$ 1,169,047,972	11.5%
1997	\$ 143,719,597	\$ 1,372,681,756	12.6%
1998	\$ 168,477,507	\$ 1,496,802,024	15.1%
1999	\$ 240,904,299	\$ 1,676,556,088	15.3%
2000	\$ (79,832,672)	\$ 1,564,636,097	(3.7)%
2001	\$ (93,021,798)	\$ 1,486,866,838	(6.0)%

* Beginning in 1994, Income includes market gains and losses, due to the implementation of GASB 25.

** Beginning with 1996 (and 1995 has been restated) investment income includes the gross income from Securities Lending as required by GASB 28.

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
INVESTMENT PERFORMANCE RESULTS**

	2001	2000	1999	1998	1997
Domestic Equity Funds					
Dimensional Fund Advisors	14.6 %	6.2 %	24.9 %	(4.0) %	25.8 %
Capital Guardian Trust	(3.9)				
Wall Street Associates	(26.4)				
Barclays S & P Index Fund	(12.0)	(8.9)	21.1	28.6	33.8
International Equity Funds					
Barclays EAFE Index (a)	(8.9) %	(13.9) %	26.8 %	20.2 %	1.8 %
Capital International	(16.6)				
Putnam	(26.1)				
Domestic Fixed Income					
Pugh Capital	8.3 %	12.2 %	(1.3) %	8.8 %	9.5 %
In-House Assets	6.8	11.1	(1.9)	7.2	8.5
Barclays US Debt Bond Fund	5.0	10.1			
Real Estate Funds *					
J.P. Morgan	7.3 %	12.0 %	14.2 %	14.8 %	13.7 %
Frank Russell	7.3	9.5	10.1	11.9	8.8
RREEFREIT	10.1	10.0	7.3		
Shurgard Inst. Fund	14.4	6.5	10.6	20.6	23.3
MEPT - Kennedy	5.8	12.1	11.8	13.2	
Alternative					
Quellos	8.1 %	21.3 %	22.5 %	%	%
Amerindo Investment Advisors	(39.2)	(59.2)	221.3	114.9	(28.5)
Phoenix Partners III & IV	(49.5)	4.8	11.5		
Composite Fund					
Equities	(12.5) %	(11.6) %	28.8 %	20.9 %	29.5 %
International Equities	(21.0)	(19.8)	37.2	10.7	0.4
Fixed-Income	6.1	10.3	(1.1)	8.2	8.3
Real Estate	7.4	11.2	10.0	13.8	14.7
Alternative	(8.8)	(12.5)	161.6	114.9	(28.5)
Total Fund	(6.0) %	(3.7) %	15.3 %	15.1 %	12.6 %
Market Indicators					
Standard & Poor's 500	(11.9) %	(9.1) %	21.0 %	28.6 %	33.4 %
MSCI EAFE Index -USD	(21.2)	(14.0)	27.3	20.3	2.0
Lehman Brothers Aggregate	8.4	11.6	(0.8)	8.7	9.7
Russell NCREIF Property Index	7.9	24.4	10.9	16.8	11.9
Consumer Price Index	1.6	3.4	2.7	1.6	1.7

* Returns for managers within the Real Estate Funds category are reported after fees, while the remaining returns are reported before fees. Fees paid to managers are listed on Page 14 of this annual report.

(a) EAFE Index funds were moved during 2001 from State Street to Barclays. Performance for 2000 through 1997 is that of State Street. Performance for 2001 is composite of EAFE Index for 2001 at State Street and Barclays.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 SERVICE AND DISABILITY PENSIONERS BY AGE
 As of December 31, 2001

<u>Service Retirement</u>			<u>Disability Retirement</u>		
Age			Age		
	49	- 1		44	- 1
	50	- 6		45	- 1
	51	- 12		47	- 1
	52	- 20		48	- 1
	53	- 33		50	- 3
	54	- 47		51	- 1
	55	- 56		52	- 1
	56	- 56		53	- 1
	57	- 68		54	- 2
	58	- 80		55	- 2
	59	- 71		56	- 2
	60	- 72		57	- 1
	61	- 62		58	- 1
	62	- 79		59	- 3
	63	- 88		60	- 4
	64	- 122		62	- 2
	65	- 108		63	- 2
	66	- 114		64	- 2
	67	- 106		65	- 3
	68	- 103		66	- 1
	69	- 117		68	- 2
	70	- 102		69	- 4
	71	- 115		70	- 2
	72	- 108		72	- 3
	73	- 119		74	- 3
	74	- 127		75	- 4
	75	- 115		76	- 4
	76	- 127		77	- 2
	77	- 147		78	- 1
	78	- 153		80	- 3
	79	- 128		82	- 2
	80	- 131		83	- 4
	81	- 126		84	- 1
	82	- 163		85	- 2
	83	- 110		86	- 1
	84	- 82		87	- 2
	85	- 93		89	- 1
	86	- 74			<u>76</u>
	87	- 76			<u>76</u>
	88	- 44			
	89	- 52			
	90	- 32			
	91	- 24			
	92	- 18			
	93	- 14			
	94	- 9			
	95	- 8			
	96	- 3			
	97	- 3			
	98	- 3			
	100 & over	<u>2</u>			
		<u>3729</u>			

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 RETIREMENT ALLOWANCE DISTRIBUTION
 As of December 31, 2001

Service Retirement				Disability Retirement			
Amount of Pension				Amount of Pension			
\$	50.00 and under	-	3	\$	0 to 150.00	-	0
	50.01 to 75.00	-	5		150.01 to 200.00	-	0
	75.01 to 100.00	-	7		200.01 to 250.00	-	1
	100.01 to 125.00	-	14		250.01 to 300.00	-	2
	125.01 to 150.00	-	29		300.01 to 350.00	-	1
	150.01 to 175.00	-	31		350.01 to 400.00	-	3
	175.01 to 200.00	-	32		400.01 to 450.00	-	7
	200.01 to 225.00	-	42		450.01 to 500.00	-	3
	225.01 to 250.00	-	43		500.01 to 550.00	-	2
	250.01 to 275.00	-	49		550.01 to 600.00	-	9
	275.01 to 300.00	-	56		600.01 to 650.00	-	14
	300.01 to 325.00	-	61		650.01 to 700.00	-	4
	325.01 to 350.00	-	44		700.01 to 750.00	-	9
	350.01 to 375.00	-	51		750.01 to 800.00	-	7
	375.01 to 400.00	-	67		800.01 to 850.00	-	4
	400.01 to 425.00	-	56		850.01 to 900.00	-	2
	425.01 to 450.00	-	50		900.01 to 1,000.00	-	5
	450.01 to 475.00	-	41		1,000.01 to 1,100.00	-	1
	475.01 to 500.00	-	55		1,100.01 to 1,290.02	-	<u>2</u>
	500.01 to 525.00	-	41				<u>76</u>
	525.01 to 550.00	-	48				
	550.01 to 575.00	-	47				
	575.01 to 600.00	-	34				
	600.01 to 625.00	-	44				
	625.01 to 650.00	-	40				
	650.01 to 675.00	-	58				
	675.01 to 700.00	-	51				
	700.01 to 725.00	-	53				
	725.01 to 750.00	-	54				
	750.01 to 775.00	-	37				
	775.01 to 800.00	-	41				
	800.01 to 825.00	-	45				
	825.01 to 850.00	-	44				
	850.01 to 875.00	-	45				
	875.01 to 900.00	-	58				
	900.01 to 925.00	-	40				
	925.01 to 950.00	-	45				
	950.01 to 975.00	-	43				
	975.01 to 1,000.00	-	60				
	1,000.01 to 1,100.00	-	213				
	1,100.01 to 1,200.00	-	199				
	1,200.01 to 1,300.00	-	189				
	1,300.01 to 1,400.00	-	164				
	1,400.01 to 1,500.00	-	167				
	1,500.01 to 1,600.00	-	134				
	1,600.01 to 1,700.00	-	113				
	1,700.01 to 1,800.00	-	99				
	1,800.01 to 2,000.00	-	185				
	2,000.01 to 2,500.00	-	335				
	2,500.01 to 3,000.00	-	156				
	3,000.01 to 3,500.00	-	78				
	3,500.01 to 4,525.26	-	<u>33</u>				
			<u>3729</u>				

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
ACTIVE MEMBERSHIP EXPERIENCE
For the Last Thirty Years

	Members at End of Period	New Members During Period	Withdrawals During Period	Re-entering & Redepositing	Deaths During Period	Pensions Granted During Period
1971	7,165	591	470	48	30	236
1972	7,464	1,085	569	56	27	246
1973	7,220	751	785	51	31	230
1974	7,012	524	557	35	30	180
1975	7,216	958	460	70	22	342
1976	6,824	471	530	36	18	351
1977	6,506	484	517	41	24	302
1978	6,600	896	592	71	22	259
1979	6,797	934	536	57	11	247
1980	6,894	901	631	67	12	228
1981	7,037	776	467	77	13	230
1982	6,972	555	439	73	14	240
1983	6,870	471	363	50	13	247
1984	6,710	531	522	57	16	210
1985	6,946	628	244	72	11	209
1986	7,020	570	382	77	11	180
1987	7,196	622	312	72	16	190
1988	7,252	542	361	45	10	160
1989	7,544	672	251	51	12	168
1990	7,813	872	454	45	12	182
1991	8,037	681	354	43	13	133
1992	8,171	463	220	32	17	124
1993	8,317	537	279	39	15	136
1994	8,553	512	201	133	16	192
1995	8,741	477	284	136	12	153
1996	8,584	339	270	13	12	227
1997	8,572	435	287	36	18	178
1998	8,743	557	236	29	9	170
1999	9,576	1,289	238	14	17	215
2000	9,836	876	393	17	13	227
2001	10,111	706	241	25	18	197

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 COMPARATIVE STATEMENT OF EXPERIENCE OF SERVICE AND DISABILITY RETIREMENT PAYROLLS
 From Inception in 1929, Through 2001

Figures Quoted as of the End of Each Fiscal Period

	Number Retired During Period			Number Deceased			Benefit Cont'd					
				During Period		Pensions Discontinued			to Beneficiary		Number on Payroll at End of Period	
	Service	Sec. 19-b	Disability	Service	- Disability	Service	- Beneficiary	- Disability	Service	Service -	Beneficiary -	Disability
1929 - 1972 Inclusive	4,003	295	793	2,315	486	3	166	84	273	1,732	405	223
December 31, 1973	198	28	32	77	22		19		26	1,853	440	233
December 31, 1974	161	25	19	82	10		13		23	1,932	475	242
December 31, 1975	324	12	18	90	12		35		32	2,166	484	248
December 31, 1976	328	7	23	110	15		10		37	2,384	518	256
December 31, 1977	292	15	10	109	20		19		28	2,567	542	246
December 31, 1978	246	9	13	87	14		24		29	2,726	556	245
December 31, 1979	237	7	10	112	17		12		35	2,851	586	238
December 31, 1980	220	14	8	101	13		19		35	2,970	616	233
December 31, 1981	223	7	7	94	15		25		33	3,099	631	225
December 31, 1982	254	12	5	120	23		38		41	3,233	646	207
December 31, 1983	248	12	5	137	10		29		55	3,344	684	202
December 31, 1984	206	9	4	135	14		28		51	3,415	716	192
December 31, 1985	202	4	7	115	18		19	1	48	3,505	743	183
December 31, 1986	175	10	4	140	9		13		20	3,540	760	178
December 31, 1987	184	6	7	132	16		6		16	3,592	776	169
December 31, 1988	158	2	3	120	9		25		37	3,627	790	163
December 31, 1989	163	8	5	141	12		5		43	3,660	780	154
December 31, 1990	181	10	1	128	16		7		44	3,695	827	140
December 31, 1991	129		4	158	12		31		70	3,665	866	132
December 31, 1992	121		3	161	4		32		50	3,625	884	131
December 31, 1993	133	6	3	157	6		42		45	3,601	894	127
December 31, 1994	181	10	1	159	10		53		55	3,608	922	117
December 31, 1995	148	5	2	162	5		54		38	3,591	914	114
December 31, 1996	225	3	1	173	8		44		49	3,659	907	106
December 31, 1997	170	9	1	186	9		75		69	3,622	931	98
December 31, 1998	166	2	2	170	9	1	45		51	3,614	942	91
December 31, 1999	208	5	2	167	5		67		51	3,662	931	88
December 31, 2000	222	4	1	142	4		46		43	3,699	933	84
December 31, 2001	192	4	1	152	8		53		33	3,733	924	76
										Grand Total		<u>4,733</u>

Statistical Section

Seattle City Employees' Retirement System

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
EXPERIENCE IN MISCELLANEOUS AVERAGES
For the Last Thirty Years

	AVERAGE SERVICE		AVERAGE AGE OF			
	RETIREMENT ALLOWANCE	AVERAGE AGE OF SERVICE PENSIONERS	AVERAGE DISABILITY RETIREMENT ALLOWED	DISABILITY PENSIONERS	ACTIVE MEMBERS DECEASED # OF DEATHS	AVERAGE AGE
1971	\$ 205.38	71.70	\$ 169.16	65.06	30	55.15
1972	221.99	72.46	175.66	65.00	27	53.13
1973	234.22	71.08	190.52	64.17	31	50.72
1974	240.26	71.23	197.94	64.31	30	54.07
1975	290.09	70.46	232.35	65.55	22	53.45
1976	320.63	69.90	237.39	63.82	18	52.20
1977	348.50	69.62	241.69	66.74	24	53.04
1978	374.03	69.69	254.82	64.42	22	54.41
1979	394.91	69.59	260.89	64.96	11	49.04
1980	418.84	69.69	261.76	65.05	12	55.54
1981	441.69	69.86	267.88	65.12	13	49.31
1982	468.28	70.07	269.71	65.64	14	48.54
1983	501.76	70.18	272.98	66.55	13	52.54
1984	530.44	69.97	281.36	66.29	16	51.28
1985	556.72	70.26	290.71	66.22	11	53.66
1986	582.18	70.57	296.27	66.70	11	48.18
1987	608.43	70.80	314.43	66.60	16	49.13
1988	655.62	70.02	357.61	66.40	14	49.93
1989	664.36	71.45	343.74	66.53	12	49.17
1990	697.54	71.72	352.75	65.88	12	47.67
1991	757.07	72.19	378.41	66.61	13	57.77
1992	749.31	72.44	366.23	66.30	17	50.94
1993	775.72	73.42	394.13	67.80	15	53.00
1994	811.55	73.28	407.60	67.52	16	55.00
1995	850.50	73.45	431.19	67.78	12	53.67
1996	904.11	73.43	423.86	68.88	12	44.92
1997	961.30	73.29	448.15	68.12	18	54.72
1998 *	1,063.66	73.30	594.09	68.13	9	56.11
1999	1,114.34	73.10	609.19	68.25	17	55.24
2000	1,167.60	72.88	622.66	68.69	13	50.77
2001	1,222.42	72.70	654.53	67.84	18	51.39

* Beginning in 1998 the average retirement allowance numbers include the monthly COLA amounts.

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF AVERAGE BENEFIT PAYMENTS**

Retirement Effective Dates		Years Credited Service					
		5-10	11-15	16-20	21-25	26-30	31+
Jan. 1, 1992 to Dec. 31, 2001							
Period 1/1/92 to 12/31/92							
Average Monthly Benefit	\$	344.09	638.94	979.65	1,265.45	1,601.30	1,953.67
Average Final Salary	\$	2,080.23	2,824.30	3,030.82	3,055.22	3,025.29	3,630.40
Number of Active Retirants		13	23	25	19	20	24
Period 1/1/93 to 12/31/93							
Average Monthly Benefit	\$	337.52	725.74	1,010.87	1,324.32	1,787.09	1,935.56
Average Final Salary	\$	2,237.52	3,063.03	2,903.98	3,258.55	3,344.06	3,459.64
Number of Active Retirants		19	24	22	21	26	24
Period 1/1/94 to 12/31/94							
Average Monthly Benefit	\$	355.87	640.31	1,063.58	1,370.49	1,760.82	2,105.95
Average Final Salary	\$	3,021.83	2,805.97	2,992.59	3,168.87	3,386.38	3,771.97
Number of Active Retirants		26	21	26	44	40	35
Period 1/1/95 to 12/31/95							
Average Monthly Benefit	\$	313.96	697.67	971.84	1,216.52	1,769.59	1,983.96
Average Final Salary	\$	2,720.84	3,327.48	2,894.56	2,968.09	3,587.38	3,610.17
Number of Active Retirants		20	12	12	31	38	40
Period 1/1/96 to 12/31/96							
Average Monthly Benefit	\$	421.89	681.47	1,064.73	1,469.10	2,043.37	2,043.39
Average Final Salary	\$	2,956.93	2,940.60	3,441.58	3,537.70	3,771.63	3,766.77
Number of Active Retirants		24	18	25	37	77	46
Period 1/1/97 to 12/31/97							
Average Monthly Benefit	\$	388.26	650.44	1,104.18	1,382.17	2,277.07	2,126.84
Average Final Salary	\$	3,195.32	3,332.84	3,414.46	3,449.48	4,242.60	3,985.38
Number of Active Retirants		20	14	26	27	57	34
Period 1/1/98 to 12/31/98							
Average Monthly Benefit	\$	451.94	799.97	1,171.57	1,434.59	2,111.63	2,296.32
Average Final Salary	\$	3,717.39	3,725.11	3,423.29	3,800.98	4,100.82	4,222.49
Number of Active Retirants		32	23	19	26	42	28
Period 1/1/99 to 12/31/99							
Average Monthly Benefit	\$	416.73	881.13	1,320.71	1,493.61	2,236.30	2,173.93
Average Final Salary	\$	3,856.75	3,712.60	4,043.07	3,594.45	4,251.65	4,115.63
Number of Active Retirants		34	19	36	23	70	33
Period 1/1/00 to 12/31/00							
Average Monthly Benefit	\$	482.19	880.93	1,190.87	1,720.94	2,346.89	2,383.68
Average Final Salary	\$	4,659.08	3,519.82	3,833.71	4,508.72	4,473.41	4,602.86
Number of Active Retirants		33	28	21	36	70	39
Period 1/1/01 to 12/31/01							
Average Monthly Benefit	\$	478.66	837.60	1,349.54	1,719.53	2,369.43	2,374.36
Average Final Salary	\$	4,756.88	3,715.90	4,241.27	4,121.40	4,654.58	4,544.36
Number of Active Retirants		30	23	25	30	65	24
Period 1/1/92 to 12/31/01							
Average Monthly Benefit	\$	399.11	743.42	1,122.75	1,439.67	2,030.35	2,137.77
Average Final Salary	\$	3,320.28	3,296.77	3,421.93	3,546.35	3,883.78	3,970.97
Number of Active Retirants		25	21	24	29	51	33

NEW MEMBERS IN THE RETIREMENT SYSTEM IN 2001
BY DEPARTMENTS

Arts Commission	1
Construction & Land Use	30
DoIT	2
Ethics	1
ESD	60
Fire	5
Human Services	37
Law	12
Legislative	6
Library	52
Light	67
Municipal Courts	34
Neighborhoods	8
Park	143
Personnel	6
Police	38
Policy Enforcement	6
Retirement	2
SEATRAN	29
Seattle Center	115
SPU	5
TES & Work Study	<u>47</u>
Total	706

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
MEMBERS AGAIN 2001
- BY DEPARTMENTS -

REDEPOSITING		
ESD	3	
Fire	1	
HSD	1	
Library	1	
Light	2	
Seattle Center	1	
SEATRAN	1	
SPU	1	
Portability	<u>1</u>	12
RE-ENTERING		
DHHS	1	
Fire	1	
Legislative	1	
Light	1	
Park	2	
Personnel	1	
Police	2	
Seattle Center	1	
SPU	1	
TES	<u>2</u>	<u>13</u>
Total		25

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SERVICE RETIREMENTS GRANTED IN 2001**

Name	Department	Position	Years of Service		Age
Airhart, Woneata	Police	Police Communications Dispatcher 2	21 yrs	1 day	58
Alwin, William	SPU	Systems Programmer Analyst	21 yrs	229 days	55
Andrews, William D.	City Light	Sr. Accountant	39 yrs	126 days	70
Anthony, William F. Jr	City Light	Power Station Operator	27 yrs	312 days	54
Anunciacion, Normita	ESD	Vested/Comptrollers/Acct Tech I	13 yrs	119 days	57
Arsenaux, Marge	Parks	Administrative Specialist I	24 yrs	332 days	52
Bain, Gary	Parks	Plumber	26 yrs	101 days	54
Baldasar, Dianne	Police	Administrative Staff Assistant	21 yrs	50 days	59
Banta, Doug	Parks	Heating Plant Technician	19 yrs	341 days	63
Bartholomew, Theresa	Police	Warrant Officer, Sr	30 yrs	162 days	59
Baur, Ingrid	City Light	Vested/Elec Engrmg Spec., Sr.	17 yrs	1 day	57
Berberich, Meribeth	Human Services	Project Fund & Agreements Coord.	20 yrs	120 days	56
Bernhard, Lorraine	City Light	Administrative Specialist II	17 yrs	39 days	63
Blye, Douglas	SPU	Vested	13 yrs	229 days	60
Bohag, Wilford	City Light	Material Supplier	32 yrs	107 days	57
Brown, Joanne	ESD	Doit/Manager 2, Info Technology	31 yrs	3 days	51
Brown, Mozell	SPU	Project Fund & Agreements Coord	14 yrs	361 days	62
Brown, Thomas W.	K.C. Jail	Captain	30 yrs	11 days	51
Buck, Harvey W.	City Light	Material Supplier	30 yrs	15 days	57
Burdega, Marny	Dual Member	Vested/Parks/Recreation Spvr	2 yrs	330 days	55
Burnett, Michael P.	SPU	Utility Account Rep. I	30 yrs	11 days	57
Bussman, Barbara M.	K.C. Health	Public Health Nurse	20 yrs	98 days	65
Cairns, Phyllis	Library	Managing Library I	10 yrs	31 days	61
Cariker, Doyle	City Light	Lineworker	12 yrs	340 days	65
Carter, Charles M.	SPU	Civil Engineering Supervisor	28 yrs	257 days	55
Castner, Thomas	SPU	Manager 2, Utilities	30 yrs	300 days	49
Ching, Anthony	SEATRAN	Civil Engineering Associate	33 yrs	165 days	57
Chinn, Ted T.	SPU	Meter Reader, Sr.	30 yrs	8 days	50
Chow, Cheryl M.	Dual Member	Vested/Council Member	7 yrs	111 days	55
Clanton, Willie Jr.	Metro Transit	Chief of Base Operator	36 yrs	95 days	57
Clark, Kathleen	City Light	Systems Programmer Analyst	30 yrs	81 days	50
Clawson, Alan S.	Parks	Capital Projects Coord. Sr	29 yrs	1 day	57
Coates, David Brian	City Light	Energy Research & Eval Analyst	21 yrs	43 days	59
Collins, Bennie Mae	Seattle Center	Usher	6 yrs	100 days	76
Cox, Gerald	K.C. Health	Sr Environment Health Specialist	32 yrs	290 days	55
Cross, Mary L.	ESD	Data Control Tech Sr./DOIT	23 yrs	237 days	63
Daubenspeck, Keith M.	Metro Transit	Transit Operator	5 yrs	10 days	59
Davenport, Jerald	SEATRAN	Civil Engineering Spec. Asst. I	22 yrs	121 days	57
Davis, Shirley	ESD	Janitor	21 yrs	299 days	55
Dawson, Jocelyne	Police	Administrative Support Supv.	27 yrs	229 days	54
Day, Eugene E.	City Light	Mechanical Engineer	19 yrs	247 days	57

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SERVICE RETIREMENTS GRANTED IN 2001**

Name	Department	Position	Years of Service		Age
Dean,Clarence	Dual Member	Muni Court/Vested/Admin Spec I	9 yrs	25 days	62
Dean,Judy			9 yrs	25 days	
Dickson,Robert G.	City Light	Electrical Engrng Specialist Sr.	26 yrs	240 days	52
DiJulio,Donald A.	K.C. Jail	Corrections Captain	30 yrs	9 days	53
Ditolla,James	Metro Transit	Transit Operator	32 yrs	297 days	65
Doble,Linda L.	ESD	Office Equipment Operator	33 yrs	99 days	55
Echert,James W.	ESD	Strategic Advisor 3	17 yrs	174 days	51
Estacio,Jovita	SPU	Accounting Tech II	15 yrs	47 days	69
Evans,Jerry L.	City Light	Hyro Maintenance Worker II	20 yrs	281 days	62
Fanning,Delmar L.	SPU	Laborer	7 yrs	227 days	64
Fay,Jerry	Dual Member	Engineers/Asst. Civil Engineer	0 yrs	307 days	57
Ferguson,Charlene	Seattle Center	Janitor	20 yrs	356 days	58
Flotten,John	Municipal Courts	Muni Court Marshall	5 yrs	193 days	65
Freeman,David L.	Seattle Center	Carpenter	35 yrs	137 days	56
Freeman,John	City Light	Hydroelec Maint. Machinist	27 yrs	189 days	59
Freeman-Fought,Sidney	City Light	Public Relations Specialist	15 yrs	156 days	63
Gardner,Leonard	DCLU	Permit Technician	11 yrs	38 days	57
Garner,John M.	Dual Member	Vested/Engineers	4 yrs	320 days	55
Geiger,Thomas W.	SEATRAN	Truck Driver	30 yrs	17 days	50
Gentleman,Patricia	SPU	Accountant	30 yrs	18 days	55
Gilbert,Patricia K.	Police	Administrative Staff Assistant	28 yrs	143 days	58
Gomez,Armando	ESD	Painter	20 yrs	44 days	62
Grace,Norine	SPU	Project Fund & Agreemnt Coord Sr	10 yrs	138 days	66
Graczyk,Daniel	Dual Member	Metro/Operator	2 yrs	326 days	54
Green,Lexor	Human Services	Counselor	11 yrs	45 days	57
Greenman,Sharon K.	K.C. Health	Health & Enviro. Investigator IV	30 yrs	87 days	54
Guevara,Roderick A.	City Light	Meter Reader	20 yrs	308 days	52
Hackley,Garold	City Light	Wastewater Trtmnt Plant Operator	15 yrs	225 days	64
Hairston,Wilford T.	DCLU	Executive 2	26 yrs	188 days	55
Haley,David	ESD	Finance/Mngmt Systems Analyst	19 yrs	130 days	57
Hammer,Sharon	Dual Member	Vested/Librarian	5 yrs	352 days	62
Harding,Emmett Paul	Municipal Courts	Sr. Mngmt Systems Analyst	23 yrs	76 days	57
Harke,Beverly	Parks	Manager 2	28 yrs	338 days	52
Harrell,Florence	ESD	Community Development Spec. Sr.	28 yrs	230 days	65
Harrison,Phillip	SEATRAN	Strategic Advisor III	28 yrs	67 days	54
Hart,Calvin R.	Dual Member	Vested/City Light	4 yrs	299 days	58
Hayward,Harold D.	City Light	Meter Reader	11 yrs	98 days	62
Heilmann,William L.	Finance	Database Administrator	25 yrs	29 days	66
Heiskanen,Reino T.	Parks	Electrician	21 yrs	141 days	62
Hentz,Edward	Parks	Safety Specialist	18 yrs	340 days	62
Hernandez,San Juana	SPU	Accounting Technician III	21 yrs	142 days	67

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SERVICE RETIREMENTS GRANTED IN 2001**

Name	Department	Position	Years of Service		Age
Hiatt,Ronald C. Sr.	SEATRAN	Construction Maint. Equip. Oprtr	33 yrs	217 days	62
Hovland,Diana H.	Parks	Recreation Program Coordinator	27 yrs	349 days	54
Hunter,Tex E.	City Light	Meter Electrician	15 yrs	6 days	58
Jackson,Nancy K.	Dual Member	Fire Prevention	1 yrs	152 days	59
Jeffrey,Roosevelt	SPU	Civil Engrng Specialist Asst.III	18 yrs	4 days	63
Johnson,Sandra	City Light	Account Technician III	32 yrs	88 days	53
Jones, Walter	SPU	Water Pipe Worker	27 yrs	355 days	63
Joski,Sandra A.	SPU	Management Systems Analyst	30 yrs	2 days	49
Jun,Fred	Parks	Seattle Conserv Corps Supervisor	6 yrs	73 days	65
Karosich,James C.	City Light	Manager 2	7 yrs	306 days	63
Keane,Martha M.	Police	Administrative Specialist II	18 yrs	341 days	58
Kenyon,Larry	Seattle Center	Stage Tech	11 yrs	232 days	65
Kertson,Lisa	City Light	Management Systems Analyst Sr.	20 yrs	71 days	52
King,James	Parks	Recreation Program Specialist	12 yrs	274 days	57
Kiss, Louise	Dual Member	Vested/KC Health	1 yrs	102 days	59
Kitzel,Richard	Dual Member	Vested/Light/Operator's Helper	8 yrs	268 days	62
Knutson,Larry	SEATRAN	Assoc. Civil Engrng Specialist	30 yrs	87 days	56
Krueger,Leann S	City Light	Account Control Validation Suprv	30 yrs	120 days	49
Kubota,Thomas	Parks	Vested/Capital Project Coordntr	8 yrs	269 days	62
Lagonoy,Bob	City Light	Account Technician II	26 yrs	278 days	61
Leaden,Robin	DHHS	Finance Analyst, Sr.	28 yrs	172 days	52
LeFebvre,Jeffrey	Library	Library Associate IV	24 yrs	335 days	52
Leggett,Carol	Dual Member	Vested/Administrative Spec. II	13 yrs	146 days	59
Lim,William	City Light	Lock Technician	16 yrs	237 days	57
Limric,Suzanne	K.C. Health	Public Health Spvr,Site Manager	20 yrs	18 days	63
Linde,Donald J.	City Light	Electrician Construc Crew Chief	30 yrs	10 days	55
Liu,Chin K.	Parks	Maintenance Laborer	17 yrs	28 days	64
Long,George D.	Human Services	Counselor	17 yrs	270 days	62
Ludlum,Margaret	SPU	Manager 2	22 yrs	296 days	57
Lynne,Cathy	Police	Police Communications Dispatcher III	28 yrs	213 days	53
Marier,Carol	Police	Police Communications Dispatcher III	30 yrs	216 days	57
Martin,Elizabeth	Dual Member	Vested/Sea Center/Admin Spec II	13 yrs	316 days	64
Matthiesen,Edward	SPU	Enviromental Field Specialist	27 yrs	5 days	62
Mattison, Patricia L.	Personnel	Administrative Specialist I	8 yrs	97 days	62
McConnell,Sharon	City Light	Personnel Specialist	7 yrs	356 days	62
McCullar,Rubye	Police	Parking Enf. Officer Supervisor	28 yrs	8 days	66
McMillan,Ralph B.	ESD	Auto Mechanic	34 yrs	169 days	64
McNally, Patrick	City Light	Power Dispatcher,Assistant	33 yrs	126 days	58
Merida,Edward	Metro Transit	Transit Operator	29 yrs	304 days	56
Miller,Annabelle	SEATRAN	Accountant	25 yrs	278 days	65
Miller,Ola D.	Parks	Recreation Center Coordinator	30 yrs	2 days	52

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SERVICE RETIREMENTS GRANTED IN 2001**

Name	Department	Position	Years of Service		Age
Montgomery,Richard	Seattle Center	Event Service Representative,Sr.	7 yrs	31 days	67
Mulkey, Darvin E.	City Light	Cablesplicer Crew Chief	20 yrs	100 days	63
Myers,Antoinette B.	Library	Branch Manager II	24 yrs	147 days	59
Namatame,Glenn	City Light	Executive Assistant Sr.	31 yrs	346 days	52
Nelson,Richard C	City Light	Electrician Constructor	28 yrs	319 days	56
Nishimoto,Frances	K.C. Health	Administrative Specialist III	25 yrs	324 days	59
Okura,Bettie Y.	City Light	Senior Material Controller	30 yrs	290 days	66
Ono,Glenn K.	SPU	Civil Engineering Spec., Sr.	27 yrs	208 days	50
Paulsen,Barbara M.	City Light	Info Techology Professional	20 yrs	267 days	63
Perkins,Dwight	Parks	Manager 2	28 yrs	234 days	56
Piszker,Frances P.	Library	Vested/Coordinating Library Asso	11 yrs	321 days	57
Pond,Bruce	City Light	Electrician	28 yrs	119 days	55
Prepotente Jr.,Jose O.	ESD	Building Operator Engineer	16 yrs	66 days	58
Purnell,Carolyn	Dual Member	Vested	0 yrs	348 days	62
Ranieri,Giovanni	DCLU	Pressure System Inspector Chief	10 yrs	15 days	61
Reberg,Eileen	City Light	Administrative Specialist I	22 yrs	216 days	72
Rippee,Stuart C.	City Light	Civil Engrng Specialist Supv.	27 yrs	14 days	54
Roach,William T.	Metro Transit	Supervisor Market Development	30 yrs	1 day	59
Robinson,Mary M.	SPU	Personnel Specialist Sr.	14 yrs	121 days	67
Rodda,William Jr.	SPU	Engineering Aide	31 yrs	281 days	58
Rosario,Noelita	Police	Administrative Specialist I	11 yrs	196 days	60
Ross,Beverly	Parks	Grounds Maintenance Crew Chief	28 yrs	33 days	54
Russell,William F.	Parks	Civil Engineering Spec. Sr.	21 yrs	339 days	51
Ryan,Marlene	SPU	Scale Attendant	21 yrs	48 days	62
Sanchez,Raymond O.	City Light	Material Supplier	29 yrs	113 days	63
Sandoz,Jeffrey B.	Parks	Manager 2	28 yrs	226 days	52
Schmidt,Marlo V.	SPU	Sr. Real Property Agent	22 yrs	188 days	65
Schwartz,Richard P.	Library	Library Associate IV	28 yrs	83 days	55
Schweitzer,Lueallan	City Light	Electrical Supervisor	30 yrs	240 days	57
Seeman,Marlys M.	K.C. Health	Registered Nurse	16 yrs	289 days	57
Seiber,John	ESD	DOIT/Computer Operator Sr.	10 yrs	219 days	61
Sharff,Larry	SPU	Drainage/Waste Water Collection	29 yrs	195 days	52
Sharpe,Everett L.	City Light	Communication Elctrn Jnywork JIC	23 yrs	258 days	60
Short,Randy R.	City Light	Installation Maintenance Worker	30 yrs	7 days	50
Sinden,Clifford	SPU	Account Executive	28 yrs	187 days	59
Slade,Gene R.	Seattle Center	Facilities Lead Worker	32 yrs	194 days	65
Slavens,Frank	Parks	Zoo Curator	30 yrs	48 days	53
Slavesen,Thelma	DHHS	Program Aide	5 yrs	96 days	78
Smedsrud,Roger	ESD	Auto Mechanic Senior	31 yrs	178 days	53
Smith,Gary D.	City Light	Cablesplicer	33 yrs	50 days	56
Smith,Joann	Dual Member	Community Development	15 yrs	90 days	58

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
SERVICE RETIREMENTS GRANTED IN 2001**

Name	Department	Position	Years of Service		Age
Smith,Wanda	DHHS	Accounting Tech II	26 yrs	4 days	55
Smoot,Mary	DoIT	Management Systems Analyst,Sr.	22 yrs	176 days	54
Starr,Gayle	Dual Member	Vested/Solid Waste Supervisor	11 yrs	338 days	57
Stivers,Robert	City Light	Management Systems Analyst	25 yrs	23 days	62
Sukut,Arthur	SPU	Water Pipe Distribution Supervis	30 yrs	108 days	50
Swanigan,Kenneth	DCLU	Housing/Zoning Inspector Supv.	31 yrs	193 days	65
Syria,Donald B.	City Light	Truck Driver,Heavy	34 yrs	359 days	59
Takehita,Hiroshi	Seattle Center	Usher	6 yrs	280 days	72
Talbot,Judson	SPU	Executive 2	33 yrs	27 days	60
Tenney,Cheryl D.	City Light	Executive Assistant	27 yrs	269 days	53
Thompson,Eugene E.	City Light	Elctn-Constru. Wrking Crew Chief	29 yrs	309 days	53
Tolliver,Barbara	Dual Member	Vested/Librarian II	8 yrs	219 days	65
Tupou,Feleni	SPU	Water Meter Repairer	21 yrs	300 days	53
Turner,Jerry	SPU	Forest Maintenance Worker	10 yrs	161 days	62
Umbach,Fredrich P.	City Light	Structural Iron Worker	22 yrs	177 days	62
Vanatta,William J.	SEATRAN	Truck Driver	27 yrs	145 days	56
Vance,Dana J.	SPU	Electrical Engineer Sr.	30 yrs	147 days	54
Vogler,Robert A.	ESD	Finance/Strategic Advisor III	21 yrs	4 days	56
Warberg,Patricia C	Parks	Asst. Recreation Center Coord.	30 yrs	267 days	55
Wear,Sally Jo	K.C. Health	Personal Health Svcs Supervisor	27 yrs	149 days	60
Wells,Deanna L.	City Light	Accounting Technician II	28 yrs	19 days	62
Werle,Leeland	Parks	Zoo Curator	33 yrs	276 days	59
West,Gary	SPU	Civil Engrng Spec. Supervisor	33 yrs	265 days	59
Westmoreland,Gay	DCLU	Permit Process Leader	24 yrs	361 days	53
Whaley,Jay	City Light	Executive 2	31 yrs	82 days	58
Wiley-Frasier,Carolyn	Seattle Center	Janitor	22 yrs	3 days	52
Wills,Forrest	City Light	Sr. Electrical Service Rep.	30 yrs	90 days	53
Winge,Kathleen	ESD	Info Technol Prof B	30 yrs	85 days	54
Wong,Sik	DCLU	Structural Plans Engineer Supv.	26 yrs	50 days	64
Wood,Bonnie J.	Personnel	Planning and Development Spec II	11 yrs	249 days	64
Wrobleski,John	DHHS	Vested/Grants & Contracts Spec	11 yrs	39 days	57
Young,Wilbur	DCLU	Housing/Zoning Inspector	20 yrs	32 days	66
Yu,Linna	City Light	Accounting Technician II	22 yrs	219 days	53

Total Service Retirements 196

DISABILITY RETIREMENTS

De La Cruz,Ernestine	ESD	Office Assistant	14 yrs	273 days	46
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SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 RETIRED MEMBERS DECEASED IN 2001

Name	Retired For	Department	Date Retired	Date of Death	Age at Death
Allard,Sally A	Ser	Health	11/01/1992	01/15/2001	70
Allison,Irene P	Ser	Community Development	01/01/1983	04/20/2001	79
Antonino,August	Ser	Metro Transit	11/01/1973	09/17/2001	86
Avery,Eugene V	Ser	Engineering	02/01/1987	08/30/2001	76
Bangert,Robert L	Ser	Light	04/01/1979	03/22/2001	79
Bartley,Charles F	Ser	Engineering	03/01/1982	03/25/2001	81
Becker,Henry M	Ser	Light	08/01/1991	09/04/2001	79
Benedetti,Bruno J	Ser	Light	09/01/1982	12/04/2001	84
Blackburn,Richard	Ser	DCLU	08/01/1991	03/24/2001	74
Boettiger,Frank	Ser	Light	01/01/1977	03/09/2001	88
Brauer,Gordon	Ser	Metro Transit	10/01/1964	02/14/2001	100
Britzius,Homer	Ser	Light	03/01/1979	12/23/2001	84
Brown,Frances E	Ser	Engineers	04/01/1984	09/17/2001	83
Burch,Maurice M	Ser	Parks	10/01/1994	04/01/2001	74
Cail,Frances B	Ser	Light	08/01/1977	05/03/2001	88
Callihan,Don L	Ser	Light	12/01/1994	08/12/2001	67
Carulli,Larry	Ser	Comptrollers	01/01/1972	04/18/2001	95
Childress,Clyde T	Ser	Engineering	04/01/1977	04/04/2001	86
Christie,Stanley P	Ser	Water	06/01/1966	01/24/2001	97
Church,John H	Ser	Health	06/01/1985	09/19/2001	70
Coles,Dorothea S	Ser	Library	02/01/1975	11/09/2001	91
Cooke,Charles R	Ser	Water	01/01/1982	01/02/2001	80
Countryman,Kathleen M	Ser	Seattle Center	01/01/1976	12/31/2001	91
Coward,James E	Ser	Light	02/01/1982	12/19/2001	87
Craig,Mildred I	Ser	Municipal Courts	11/01/1978	06/08/2001	87
Crosby,Virgil W	Ser	Metro Transit	01/01/1974	01/17/2001	89
Davidson,Bobbie G	Ser	SEATRAN	12/01/1994	02/12/2001	81
Davidson,George L	Ser	Water	12/01/1982	02/27/2001	83
Delong,John L	Ser	General Services	08/01/1980	02/26/2001	84
Dill,Donald E	Ser	Parks	04/01/1988	08/11/2001	75
Dray,Dean T	Ser	Metro Transit	06/01/1973	10/03/2001	87
Easterly,H Linda	Ser	Health	07/01/1982	10/24/2001	82
Eldred,Preston F	Ser	Treasurer	01/01/1974	11/27/2001	92
Ellis,Patience	Ser	Light	06/01/1993	03/08/2001	69
Felts,Charles W	Ser	Metro Transit	09/01/1983	03/08/2001	76
Fish,Barbara M	Ser	Light	10/01/1977	01/15/2001	85
Floberg,Joseph W	Ser	Engineering	02/01/1976	05/30/2001	79
Frans,Ellen V	Ser	Police	03/01/1971	10/14/2001	92
Gardner,James	Ser	Metro Transit	04/01/1986	07/06/2001	78
Garlinghouse,Ida R	Ser	Human Resources	01/01/1986	11/22/2001	85
Gates,Wayne F	Ser	Light	09/01/1980	08/09/2001	79
Gautier,Freddie Mae	Ser	Municipal Courts	08/02/1997	12/14/2001	71
Glandon,Ralph C	Ser	Light	01/01/1972	12/01/2001	92
Goffin,Joseph W	Disab	Engineering	12/01/1972	05/30/2001	84
Gonzales,Vincent R	Ser	DHHS	03/04/1998	08/16/2001	66
Hansen,Marie E	Ser	Purchasing	01/01/1972	12/31/2001	92
Hansen,Paul C	Ser	Building	04/01/1980	01/13/2001	83
Harrold,W Thomas	Ser	Comptrollers	01/01/1979	06/10/2001	88
Haugland,Oscar M 252880	Ser	Parks	07/01/1974	01/03/2001	89
Heinzerling,Melvin J	Ser	Light	02/01/1976	03/24/2001	82
Henderson,Benny R	Ser	Parks	03/01/1985	06/15/2001	80

(continued)

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 RETIRED MEMBERS DECEASED IN 2001

Name	Retired For	Department	Date Retired	Date of Death	Age at Death
Hendrickson, Monte	Ser	Building	01/01/1972	07/15/2001	92
Higgins, Ida A	Ser	Health	01/01/1970	06/04/2001	93
Holsten, Clayton A	Ser	Water	08/01/1985	03/20/2001	77
Horswill, Ernest	Ser	Light	10/01/1972	05/10/2001	86
Hughes, Theodore L	Ser	Fire	04/01/1979	12/03/2001	83
Huson, Mildred P	Ser	Personnel	04/01/1984	11/26/2001	86
Icenhour, Susan P	Ser	Municipal Courts	03/01/1981	06/11/2001	83
Ingram, George	Ser	Library	01/01/1981	05/22/2001	82
Jackson, Thomas R	Ser	Engineers	03/01/1989	03/01/2001	67
Jaeger, Mildred K	Ser	Library	04/01/1979	03/23/2001	88
James, W Nason	Ser	Municipal Courts	10/01/1975	06/26/2001	90
Kampman, Maret M	Ser	Health	05/01/1986	02/15/2001	80
Kauffman, John R	Ser	Light	05/01/1991	02/18/2001	75
Kays, Richard A	Ser	Light	12/01/1983	08/16/2001	68
Kinman, James R	Ser	Metro Transit	08/01/1984	12/05/2001	77
Kowaleski, Dorothy	Ser	Health	10/01/1975	12/14/2001	88
Kroecker, Gladys R.	Ser	Legislative	11/24/1999	02/17/2001	75
Krueger, Frank	Ser	Engineering	12/01/1972	04/21/2001	93
Kulp, James R	Disab	Engineers	09/01/1971	11/02/2001	76
Langlois, Richard L	Ser	Water	07/01/1971	08/30/2001	95
Larson, C Julian 101-98-1	Ser	Water	02/01/1984	05/23/2001	80
Layman, Earl D	Ser	DHHS	01/01/1983	10/30/2001	85
Leclair, Wm E	Ser	Metro Transit	09/01/1972	07/29/2001	90
Lee, Wally Q	Ser	License & Consumer Affairs	03/01/1984	12/08/2001	78
Lindell, Robert C	Ser	Light	03/01/1976	12/05/2001	80
Massie, Gaetano	Ser	Judicial	07/01/1977	11/30/2001	89
Mataya, William R	Ser	Light	11/15/1989	10/15/2001	69
Mattivi, Shirley L	Ser	License & Consumer Affairs	07/01/1993	07/25/2001	71
May, Marietta M	Disab	Police	07/01/1970	08/22/2001	88
Mcclelland, Charles M	Ser	Light	09/01/1982	03/15/2001	83
Mcdaniel, Clarence	Ser	Municipal Courts	05/01/1993	08/12/2001	80
Mcdaniel, John W	Ser	Water	10/01/1981	03/22/2001	84
Mcmanus, Charles	Ser	Light	11/01/1984	06/24/2001	82
Meduna, Andrew	Ser	Metro Transit	12/01/1979	03/29/2001	83
Mock, Hiram R	Ser	Water	06/01/1973	04/26/2001	87
Moore, Ernest R	Disab	Engineers	03/01/1970	04/22/2001	88
Morris, Frank	Ser	Police	09/01/1988	03/25/2001	82
Mosler, Dorothy R	Ser	Engineers	02/01/1983	07/01/2001	80
Musser, Arlene	Ser	Engineers	01/01/1990	01/29/2001	73
Naffer, Erwin C	Ser	Metro Transit	04/01/1974	09/15/2001	89
Nelson, Esther B	Ser	Metro Transit	05/01/1979	08/29/2001	87
Newbould, Alfred L	Ser	Law	12/01/1979	09/30/2001	73
Newell, John A	Ser	DHHS	06/01/1982	09/18/2001	84
Nicklaus, Reinhold	Ser	Metro Transit	01/01/1978	10/24/2001	84
Olson, Dorothy A	Ser	Light	08/01/1977	02/21/2001	84
Olson, Lynnae C	Ser	Police	08/01/1979	05/24/2001	83
Osborne, Stanley E	Ser	Engineering	08/01/1992	07/14/2001	66
Patterson, Perry D	Ser	Water	11/01/1976	11/16/2001	89
Peha, Leon D	Ser	Light	06/01/1984	11/01/2001	81
Penglase, Lucy J	Ser	Health	04/01/1987	05/27/2001	80

(continued)

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 RETIRED MEMBERS DECEASED IN 2001

Name	Retired For	Department	Date Retired	Date of Death	Age at Death
Phillips,Anna Mae	Ser	Human Resources	05/01/1987	03/11/2001	78
Ploghoft,Paul H	Ser	Metro Transit	05/01/1974	12/19/2001	87
Proctor,Lory C	Ser	Metro Transit	11/01/1975	12/27/2001	87
Quamme,Mary O	Ser	Health	05/01/1994	12/09/2001	74
Raidna,Linda K	Ser	Health	06/02/1998	09/05/2001	65
Rashkov,William	Ser	Water	11/01/1980	08/17/2001	85
Raupach,Gary	Ser	ESD	07/15/3900	12/18/2001	61
Rayburn,Nina R	Ser	Fire	06/01/1981	04/20/2001	82
Reynolds Jr,Thomas A	Ser	Light	04/01/1987	10/14/2001	72
Riley,Edward C	Ser	Building	02/01/1979	06/20/2001	85
Ruddell,Richard R	Disab	Light	08/01/1981	07/23/2001	68
Rulo,Joseph T	Ser	Engineering	02/01/1973	12/26/2001	93
Ryan,Malachia F 009109134	Ser	Metro Transit	02/01/1977	01/25/2001	87
Sayers,Inez V	Ser	Health	10/01/1983	04/05/2001	81
Schaal,Weyana	Ser	Library	11/01/1962	07/29/2001	101
Schaller,William L	Ser	Engineers	05/01/1978	01/25/2001	84
Schilling,Hazel R	Ser	Parks	07/01/1976	01/11/2001	89
Schrader,Oscar C	Ser	Water	05/01/1976	04/16/2001	82
Shields,V F	Disab	Metro Transit	08/01/1950	11/29/2001	91
Shinn,Rex E	Ser	Metro Transit	01/01/1985	03/16/2001	75
Short,Kenneth L	Ser	Health	08/01/1977	08/03/2001	86
Skullerud,Dennis L	Ser	Light	02/01/1981	05/09/2001	82
Slack,Franklin P	Ser	Light	03/01/1985	06/20/2001	78
Smalley,Winston W	Ser	Engineers	05/01/1977	03/01/2001	87
Smith,Ben J	Disab	Metro Transit	11/01/1964	03/30/2001	84
Smith,Cornelius L 97735724	Ser	Engineering	02/01/1988	12/20/2001	77
Snell,Robert K	Ser	License & Consumer Affairs	08/01/1975	02/01/2001	77
Spoon,Mabel A	Ser	Library	07/01/1971	04/22/2001	95
Stewart, Raymond	Ser	Light	04/03/1996	05/08/2001	71
Stewart,Ernest T	Ser	Water	01/01/1978	09/04/2001	84
Stiffler,Olga K	Ser	Light	09/01/1982	04/22/2001	83
Street,Charles E	Ser	Administrative Services	04/01/1985	01/13/2001	76
Sugiura,Joseph T	Ser	Engineering	10/01/1978	03/25/2001	83
Sunde,Joan B	Ser	Personnel	07/01/1981	08/29/2001	81
Swan,Charles E	Ser	Light	06/01/1978	10/22/2001	81
Swope,Collins	Ser	Seattle Center	12/01/1973	12/25/2001	90
Taylor,Esther M	Ser	Health	11/01/1964	05/24/2001	101
Tessandore,Frank	Ser	Engineering	07/01/1967	02/19/2001	97
Thompson,James N	Ser	Human Resources	04/01/1987	04/29/2001	68
Thompson,Orris W	Ser	Metro Transit	11/01/1984	09/29/2001	78
Thompson,Robert W	Ser	Metro Transit	04/01/1976	05/21/2001	90
Timblin,Paul F	Ser	Light	06/01/1978	02/03/2001	80
Toskey,Franklin T	Ser	Light	01/01/1978	11/19/2001	81
Tracey,James S	Ser	Light	05/01/1980	01/04/2001	82
Vernei,Emill	Ser	Library	07/01/1979	01/09/2001	85
Volrath,Warren M	Ser	Engineering	12/01/1993	10/03/2001	61
Wales,Harry	Ser	Metro Transit	08/01/1977	06/03/2001	85
Walsh,Richard T	Ser	Engineering	09/01/1981	06/20/2001	87
Waters,James	Ser	Water	06/01/1966	01/15/2001	98
Weller,Ralph E	Ser	Light	08/01/1976	02/18/2001	80

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SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 RETIRED MEMBERS DECEASED IN 2001

Name	Retired For	Department	Date Retired	Date of Death	Age at Death
Welsh,James A	Ser	Library	03/01/1990	07/28/2001	73
Wheeler-Torrey,Aldena	Ser	ESD	07/07/1999	01/16/2001	63
White,Edward James	Ser	Administrative Services	10/01/1980	11/22/2001	87
White,M Clarice	Ser	Engineering	08/01/1980	11/26/2001	80
Williams,Arliss E	Ser	Health	09/01/1985	07/01/2001	77
Williams,Peter E	Disab	Engineering	06/01/1975	12/01/2001	79
Witters,John C	Ser	Water	11/01/1976	04/06/2001	86
Wohlitka,Joseph G	Ser	Building	02/01/1979	11/26/2001	85
Woolman,Claude R	Ser	Light	04/01/1982	06/21/2001	81

Average Age of Deceased Pensioner 82.19
 Average Age of Deceased Disability Pensioner 82.25

Number of Service Pensioners Deceased 152
 Number of Disability Pensioners Deceased 8

Death Benefits for Deceased Retirees \$ 236,000.00
 Refund Under Option "A" \$ 11,193.92
 Refund Under Disability \$ 0.00

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM
 DEATHS IN ACTIVE SERVICE DURING 2001

Name	Position	Department	Age
Austin,Glenn	Info Tech Warehouse	ESD	46
Coates,David Brian	Energy Research & Eval Analyst	City Light	58
Codling, Allen B	School Crossing Guard	Police	78
Crabtree, James C.	Event Services Rep	Seattle Center	41
Daloia,Edward M Jr	Wtr Meter Changer	SPU/Metering	57
Echert,James W	StratAdvsr3,Exempt	ESD/City Budget Office	51
Jacobs,David L	Meter Reader	Water	51
Mcmillan,Ralph B	Auto Mechanic	ESD	64
Nguyen,Tho Van	Mgmt Syst Anlyst	Muni Court	42
Ono,Glenn K	Civil Engrng Spec, Sr	SPU	50
Pond,Bruce W	Electrician	Light	55
Prepotente Jr,Jose O	Bldg Operating Engr	ESD/Bldg Maint	58
Puckett,Wayne F	Cable Splicer	Light	54
Raza,Afaq	Elec Engrng Des Spec, Asst II	Light	37
Russell,William F	Civil Engrng Spec, Sr	Parks	51
Stever,Lynne S	Adm Support Asst	Municipal Court	38
Switaj,Edward	Transportation Planner	SPU	47
Vo, Tanxuan	Info Technol Prof	City Light	47
		Total	18
		Average Age	51.39

**DEATH BENEFIT SYSTEM
For The Year Ended December 31, 2001**

All active members and those retired members who so elect are covered by the Death Benefit System. The Death Benefit System is similar to a life insurance policy and pays \$2,000 to the beneficiary of an active or retired member.

The annual premium for each member is \$12, with the City matching this amount. Any additional funds needed to fund the Death Benefit System come from the undistributed earnings of the Retirement System.

There were 18 deaths in active service and 118 claims from retired employees - a total of 136 claims. This compares with 13 deaths in active service in 2000, and 163 claims from retired employees - a total of 176. The claims totaled \$272,000 in 2001, and \$350,390 in 2000.

Income from the 14,844 active and retired employees was \$ 140,880

Income from Employers:		
Seattle City Light	\$	20,676
General Fund		58,590
SEATRAN		6,522
Seattle Parks Department		13,170
Seattle Public Utilities		14,640
Executive Services		9,036
Library		6,696
Seattle Center		4,626
Construction and Land Use		3,894
Metro Transit Fund		156
Employees' Retirement System		270
King County Health & Custodial		<u>2,340</u>
Total from Employer Funds		<u>\$ 140,616</u>
Total paid into Death Benefit Reserve		\$ 281,496
Balance from 2000		0
Transfer of Undistributed Investment Earnings		<u>\$ (9,496)</u>
		\$ 272,000
Less: Death Benefit Claims - 2001		<u>\$ (272,000)</u>
Death Benefit Reserve Balance December 31, 2001		\$ (9,496)

UNUSED SICK LEAVE

At the time of retirement, members may elect to receive a cash payment equal to 25% of the monetary value of their "unused sick leave". The monetary value is developed by multiplying the number of hours of unused sick leave by the hourly rate, and is calculated and paid to the employee by the employing department when the person retires immediately following employment. Vested members retiring at a future date do not receive a sick leave payout.

The member may elect to write a check payable to the City, and deliver it to the Retirement System, for the amount of the sick leave payout, and this amount will be placed in an account to be used to pay health care premiums for self and spouse. Since the health care premiums are paid from the Health Care Fund, these funds do not accrue interest. If the retiree dies before the credit is exhausted, the surviving spouse may use the remaining credit to pay for health care coverage.

In the event of the death of an active employee eligible for sick leave benefits, the employing department will pay the beneficiary an amount equal to 25% of said employees' accumulated unused sick leave.

Of the 196 service retirements during 2001, only 4 retiree deposited the value of their sick leave payout to an account that will be used to pay their medical premiums.

Percentage of Average Salary

Years of Retirement Credit	Age															Years of Retirement Credit
	Any	52	53	54	55	56	57	58	59	60	61	62	63	64	65	
30	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	30
29		58	58	58	58	58	58	58	58	58	58	58	58	58	58	29
28		56	56	56	56	56	56	56	56	56	56	56	56	56	56	28
27		51.3	54	54	54	54	54	54	54	54	54	54	54	54	54	27
26		46.8	49.4	52	52	52	52	52	52	52	52	52	52	52	52	26
25		42.5	45	47.5	50	50	50	50	50	50	50	50	50	50	50	25
24		38.4	40.8	43.2	45.6	48	48	48	48	48	48	48	48	48	48	24
23		34.5	36.8	39.1	41.4	43.7	46	46	46	46	46	46	46	46	46	23
22		30.8	33	35.2	37.4	39.6	41.8	44	44	44	44	44	44	44	44	22
21		27.3	29.4	31.5	33.6	35.7	37.8	39.9	42	42	42	42	42	42	42	21
20		24	26	28	30	32	34	36	38	40	40	40	40	40	40	20
19							28.88	30.02	31.16	32.3	33.44	34.58	35.72	36.86	38	19
18							27.36	28.44	29.52	30.6	31.68	32.76	33.84	34.92	36	18
17							25.84	26.86	27.88	28.9	29.92	30.94	31.96	32.98	34	17
16							24.32	25.28	26.24	27.2	28.16	29.12	30.08	31.04	32	16
15							22.8	23.7	24.6	25.5	26.4	27.3	28.2	29.1	30	15
14							21.28	22.12	22.96	23.8	24.64	25.48	26.32	27.16	28	14
13							19.76	20.54	21.32	22.1	22.88	23.66	24.44	25.22	26	13
12							18.24	18.96	19.68	20.4	21.12	21.84	22.56	23.28	24	12
11							16.72	17.38	18.04	18.7	19.36	20.02	20.68	21.34	22	11
10							15.2	15.8	16.4	17	17.6	18.2	18.8	19.4	20	10
9												16.38	16.92	17.46	18	9
8												14.56	15.04	15.52	16	8
7												12.74	13.16	13.58	14	7
6												10.92	11.28	11.64	12	6
5												9.1	9.4	9.7	10	5

Identify percentage factor above that applies to your age and years of service.

Percentages increase with each day of service.

Maximum percentage factor = 60% with 30 years of retirement credit.

Average Salary = Average of Highest Consecutive 24 months.

If Expected retirement date is 2 years or more from now, use today's salary as estimated Final Average Salary.

Eligibility for Retirement

5 to 9 years of service - and are age 62 or older

10 to 19 years of service - and are age 57 or older

20 to 29 years of service - and are age 52 or older

30 years of service - any age

Example: 22 years of credit, age 56, and final average salary is \$2,500

$$\begin{array}{rcccl}
 \underline{\$ 2,500} & & \underline{39.6 \%} & & \underline{\$ 990} \\
 \text{Final Average Salary} & \times & \text{percentage factor from table} & = & \text{Estimated Pension Amount} \\
 & & \text{based on age and years of credit} & &
 \end{array}$$

This form is only intended to provide a general profile of how an estimated pension amount is calculated.

Any unpaid leave during your career is not counted towards retirement credit.



Seattle City Employees' Retirement System
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www.cityofseattle.net/retirement